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FINANCIAL TIMES
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NEWS SUMMARY

GENERAL

August hits 90 not out

When two Englishmen meet, their first talk is of the weather. Seldom can Samuel Johnson's observation have been more applicable than yesterday as the summer sun roasted Britain in temperatures of 90F and up, with the promise of more to come.

At 3.30 p.m. in Central London it was 93 and the rest of the country was only slightly cooler. So far, there have been 17 consecutive days over 75F and five of 80 and upwards.

Europe, too

Reports were coming in of pubs running out of beer and of ice cream sales rocketing. Medical men were issuing advice on how to avoid heatstroke and water authorities began to fear drought.

In the rest of Europe, too, records were falling. Scandinavians basked in the hottest summer for 200 years. Germans felt hotter than since 1900 and semi-tropical Spain saw its highest temperatures for 50 years. Wine-growers throughout Europe expect 1976 to be one of the best vintages ever.

Surprise Ulster peace move

A surprise peace move is expected to-day from Ulster Unionist leaders when they meet a delegation from the Catholic SDLP in the first of a series of discussion on an agenda for the Constitutional Convention when it reconvenes. Page 7.

Guerillas fly out

Five Japanese Red Army guerillas flew out of Kuala Lumpur for Libya, though there was no immediate indication that country would accept them. They released all the remainder of their original hostages, but took two Japanese and two Malaysian officials.

NCOs club closing

The Chevrons Club in London, home for NCOs from all over the world, is to close next month because the armed forces have called in a £81,000 loan.

Met 'ready'

London's Metropolitan Police will not hesitate to assist lawful occupiers to eject squatters from furnished residential accommodation, said the Commissioner, Sir Robert Mark, Page 7

TV warning

Commercial TV news, current affairs and documentary makers have been told to take even greater care over reporting violence, in a report for the IBA. Page 7.

Torture trial

Thirty-one Greek officers and soldiers went on trial in Athens yesterday accused of torturing political prisoners during the seven-year military regime.

People and Places

A woman was fined £200, with £20 costs, at Deal for trying to smuggle a mongrel dog into the country.

Swimmers were warned to keep out of the River Weaver in Cheshire because of caustic soda spillage after a train crash.

Gang wearing Mickey Mouse masks escaped after robbing the Natwest Bank at Denmark Hill, London, of £26,400.

Caernarvon printer Gerallt Lloyd Owen won the Bardic chair at the Royal Eisteddfod. But four letter words in a play robbed William Lewis of part of the £150 drama prize.

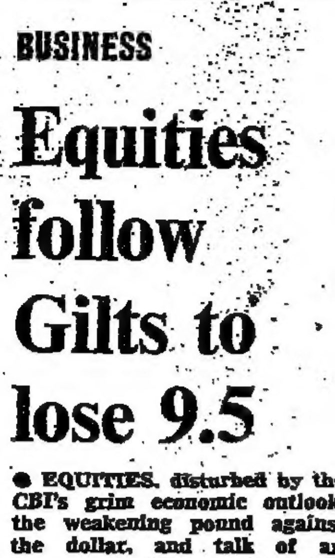
Several people were killed and more than 100 injured when a French gunpowder factory blew up.

BUSINESS

Equities follow Gilts to lose 9.5

● **EQUITIES**, disturbed by the CBI's grim economic outlook, the weakening pound against the dollar, and talk of an increase in Minimum Lending Rate to-day, took a sharp setback. Closing falls ranged between 4p and 8p among leaders and the FT 30-share index dropped 9.5 to close at 277.7, its lowest since March 25.

The FT Commodities index closed at 183.44, its highest since December last year.



● **GILTS** saw a continuation of the previous day's weakness and in persistent selling, lost up to 1¼ at the longer end, and nearly a point among shorts. The Government Securities index was down 0.74 at 59.53.

● **THE POUND** closed at 2.1055 against 2.1275. Its depreciation widened to 27.8 per cent. (27.2). The dollar's 2.44 per cent. (2.31).

● **GOLD** closed 40c $165.37.

● **WALL STREET** closed 2.12 up at 815.79.

● **PUBLIC SECTOR** borrowing requirement is not expected to rise above £10bn. this year, in spite of a 40.5 per cent. jump in Central Government "supply" spending in the first four months. Back Page

Govan to get more aid

● **GOVAN** Shipbuilders is to be given an additional £17.2m. Government aid. Back Page

● **SOCIAL SECURITY** Pensions Act, 1975, which sets new levels of earnings related benefits will start in April, 1978. Page 7

● **THE POST OFFICE** has told the CBI it is considering withdrawing its membership. Page 7

● **U.K. CAR** production this year may reach lowest output for 13 years. Page 7

● **BUTCHERS** are slashing beef prices by up to 15p a pound as the hot weather has reduced demand for beef, lamb and pork. Page 23

● **HONG KONG** and Shanghai Bank has offered to take up 150m. new shares in Hutchison Intl at $HK1 each cash. Page 20

● **COPPER** prices jumped on the London Metal Exchange, with cash copper £13.5 up at £587.5 a tonne. Page 23

COMPANIES

● **ROYAL DUTCH/SHELL** Group net income for the second quarter of 1975 was £237m., making £457m. for the first half. Page 18 and Lex

● **TRUST HOUSES FORTE** saw losses increase from £165,000 to £1.3m. in the "low season" first half, after a sharp increase in finance charges. Page 18 and Lex.

● **HOOVER** raised pre-tax profit in the first half from £6.77m. to £11.73m.

CBI warns against reflation after 'less bad' trends survey

BY HAROLD BOLTER, INDUSTRIAL EDITOR

The Confederation of British Industry yesterday urged the Government to ignore pleas for reflation even though its latest industrial trends survey suggests it will be well into 1976 before there is any recovery in manufacturing industry employment, investment, or home and export orders.

In spite of clear indications that demand is very weak, that below capacity working is widespread and that there is still considerable pressure on unit costs, the CBI still manages to see the possibility of a "faint and flickering light" at the end of the tunnel of economic gloom, according to Mr. Campbell Fraser, chairman of the CBI's economic situation committee.

"I think the news from this survey (carried out between July 7 and 23) is slightly less bad then it was when we produced our previous survey in April," Mr. Fraser said in London yesterday.

"Although the recession has arrived, spring will inevitably follow winter. It's just a question of how far spring is away."

Sustained

Although Mr. Fraser adopted a relatively optimistic tone when he announced the results of the survey, there is obvious concern within the CBI that the Government will bend under the pressures to reflate too quickly.

The CBI understands these pressures, at a time when unemployment is rising extremely rapidly, when investment intentions are poor and likely to remain so, when there are at least hopes of bringing inflation under control and when the balance of payments position has improved.

But it argues that confidence in the future will be greater if any expansion is limited to a rate that can be sustained for a number of years.

The feeling within the CBI is that despite the Government's new £6 limit on pay rises and other policies for controlling inflation it will be some time before it is clear inflation is being reduced.

In addition, it argues that the balance of payments improvement is far from secure, as it largely reflects the heavy destocking programme being carried out by industry.

"We do not think, therefore, that there should be new policies to reflate demand," the confederation declares.

Without reflation at home, industry faces a period of low demand which will only be tempered to the extent that world trade recovers next year, and with it the market for U.K. goods.

But the CBI warns that it would be unwise to rely on growth in demand for U.K. exports unless industry is better able to control costs, so preserving price competitiveness, and can overcome its reputation for poor delivery because of inefficient working practices.

The confederation expresses considerable concern about the scale of bankruptcies taking place within industry and the level of labour shedding, predictable as they were.

It puts the blame on a lack of confidence about the general business situation arising from a number of political uncertainties, a prolonged period of "quite inadequate profitability," widespread and serious liquidity difficulties, and wage inflation.

The CBI survey's main findings are that:

● Pessimism about the general business situation remains widespread.

● Investment intentions are weak, although now deteriorating less rapidly.

Easing

● Below-capacity working, affecting three-quarters of manufacturing industry, is more general than during the "three-day week" last year or at any time in the 1960's.

● Lack of orders or sales threatens to limit production for more than eight out of ten of the 1,943 companies taking part in the survey.

● Companies are reducing employment on a scale not seen before in the survey, which dates back to 1958.

● Upward pressure on unit costs and prices continues, although the trend appears to be easing slightly as far as prices are concerned.

● There is no marked confidence about export prospects over the next 12 months.

Details, Page 13
Editorial Comment, Page 14

Land Tax relief for many owner-occupiers

BY JOHN TRAFFORD, PROPERTY EDITOR

OWNER-OCCUPIERS of houses with less than an acre of land will be exempt from the proposed Development Land Tax if they realise the development value of their land, according to a concession included in the White Paper on Development Land Tax published by the Government yesterday.

The tax comprises the Governments attack on profits from property development, and is the vehicle for taxation proposals outlined in the Community Land Bill now before Parliament. It will replace the existing Development Gains Tax introduced in the 1974 Finance Act.

As foreshadowed in the Government's "Land" White Paper last September and reiterated in the Inland Revenue's explanatory document on the tax last February, the tax will be charged at 80 per cent. on the profit arising from land development.

Much of the new White Paper is taken up in defining how that profit is calculated and who is deemed to have an interest in the land development. People holding a freehold or leasehold interest in land which is further sublet and who are not entitled to any increase in income if the land is developed by their tenants are not liable to development land tax.

Yesterday's White Paper was received in the property industry with a mixture of hostility and resignation. The House Builders Federation probably spoke for most land-owners and developers in commenting that the 80 per cent. rate was far too high and would "seriously restrict the supply of land to the market leading to a famine in a few years' time and to a shortage of new houses." The Federation had been pressing for a rate of no more than 60 per cent.

The British Property Federation, which counts many property developers among its members, also criticised the 80 per cent. tax rate in a statement last night. "The development land tax," said the federation, "far from achieving the Government's objectives of good planning and sharing of benefit with the community will slow down all new development and lead to more unemployment. It will affect everybody, not just big companies but small builders and house owners too."

The Government's clear hope is that, by spelling out its legislative proposals in detail, interested parties will have a chance to comment on the proposals before the Bill is published some time during the next session of Parliament. This could speed the passage of the Bill through Parliament.

The new White Paper does not, however, contain all the clauses of the Bill on the Development Land Tax. It does not, for instance, deal with the application of the new tax to charities. In a concession during the passage of the Community Land Bill through Parliament, the Government agreed to exempt development value realised by charities and churches on land held on September 12, 1974.

'Buy British', oil men told

BY ADRIAN HAMILTON

THE GOVERNMENT is now stepping up the pressure on oil companies to "buy British" in the North Sea. This move comes at a time when the latest figures show that U.K. industry's share of the £1.3bn.-a-year market is only some 40 per cent., and considerably below that in many crucial sectors.

In an effort to tighten up the Offshore Supplies Office's (OSO) supervision of oil company buying procedures, the Department has suggested a new voluntary "code of conduct" to the industry, setting out procedures for tendering and suggesting that the Office be given at least a week's grace to intervene before letters of intent are sent to the chosen supplier.

At the same time, Mr. Anthony Wedgwood Benn, the Energy Secretary, is preparing a letter to the major oil companies urging them to speed up platform ordering in the interests of maintaining continuous employment in the British construction sites.

The moves come in the face of figures published by the OSO yesterday, which show that British industry's share of the market, while relatively good in the capital goods sector, remains disturbingly low in the provision of services such as drilling and installation operations.

Of the total £1.3bn. worth of orders placed last year, the OSO's report says, the U.K. content was estimated to be worth some £520m., or 40 per cent.

On the bright side, the U.K. share of the £660m. capital goods sector was £312m., or 47 per cent., with particularly strong representation in the fabrication of steel platforms and modules.

But industry's share of the £534m. service side amounted to only £153m., or 29 per cent., with particular gaps shown in the areas of off-shore installation, pipe-laying and rig hire—the largest components.

What is worrying the Government is that there are now signs of the North Sea market levelling off, requiring British industry to increase its share of the domestic market and to export more if it is to continue to grow.

Yet it is in the areas where British companies are weakest and the technical content is highest that the major opportunities of such an expansion are felt to lie.

Although some improvements have been made with a growing British participation in rig and pipe-laying vessel ownership, officials privately admit that the situation is far from encouraging.

North Sea Oil Review. Page 21

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Primrose Ind. Hldg.	210	+ 28
Sandeman (G.)	45	+ 5
Stoneware	180	+ 5
Shell Transport	295	+ 7
Loraine	355	+ 10
Pancontinental	560	+ 15
Sabina Inds.	82	+ 7
Waterval	200	+ 6
FALLS		
Treasury 11¾% 1979	£98½	− ½
Treasury 12¾% 1995	£93½	− 1¼
BSR	58	− 5
Beecham	250	− 11
Boots	95	− 6
"Bats"	268	− 7
British Home Stores	281	− 8
Carron	41	− 4
Cavenham	114	− 6
Dunlop	40	− 3
Empire Stores	57	− 4
GEC	112	− 6
GKN	195	− 7
Grand Met.	55	− 3½
Guinness (A.)	104	− 6
ICI	243	− 5
Johnson-Richards Tiles	88	− 6
Lonrho	112	− 5
Marks & Spencer	89	− 4
Midland Bank	220	− 8
Nat. Westminster	185	− 5
Pilkington	198	− 7
Plessey	63	− 4
Reed Int'l.	184	− 6
Scott. & Univ. Invs.	85	− 5
Silkolene	64	− 6
Stroud Riley	18	− 4
Sun Alliance	362	− 8
Trafalgar House	73	− 7
Tube Invs.	218	− 8
Young Austen & Yng.	45	− 5
Tanganyika Cons.	167	− 7

FEATURES

ON OTHER PAGES

For latest Share Index 'phone 01-246 8026

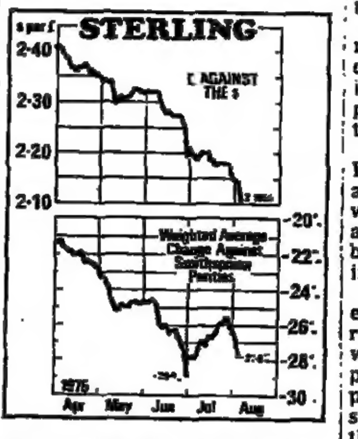
£ drops 2¼ cents to rate of $2.1055

By William Keegan
Economics Correspondent

THE MOUNTING value of the U.S. dollar on the world's exchange markets had a dramatic effect on the pound yesterday, which plunged to $2.1055, against $2.1275 on Wednesday.

This extraordinary drop of nearly 2¼ cents in the sterling/dollar rate during a single day was accompanied by a weakening of the pound against other currencies. The combined effect was that the trade-weighted value of sterling fell from 27.2 per cent. to 27.8 per cent. below December, 1971, levels.

The weighted depreciation was as low as 29.3 per cent. at one stage during the run on sterling at the end of June. While causing concern to holidaymakers, the reversal of the pound's value against other EEC currencies is not unwelcome in Whitehall, where there had been concern that the competitive edge previously gained was being eroded. In New York sterling closed last night 215 points down at $2.125c.



It is the decline in the dollar-sterling rate which particularly concerns the U.K. authorities, because of the threat it poses that overseas holders of sterling may switch funds to New York.

The Bank of England was again in the market trying to steady the rate yesterday, but there is a limit to what official intervention can achieve in the face of the sheer strength of the dollar's revival.

Yesterday the U.S. currency gained so much in world markets that its weighted depreciation from December 1971 narrowed to the strongest level since January 1974, closing 2.44 per cent. down, against 2.81 per cent. on Wednesday.

£ in New York

—	Aug. 7	Previous
Spot	$2.1040-1060	$2.1265-1285
1 month	0.78-0.73 dis	0.82-0.77 dis
3 months	2.28-2.25 dis	2.31-2.26 dis
12 months	8.20-8.05 dis	8.10-7.90 dis

Cautious start for planning agreements

BY STEWART DALBY

THE GOVERNMENT has set itself a target of reaching 100 planning agreements with companies in key sectors of industry over the next five years.

However, the programme will get off to a slow and cautious start and probably no more than 15 agreements will take effect within the first year.

This emerged on publication yesterday of the Department of Industry's discussion paper on the contents of a planning agreement.

Overall, the paper is distinctly low key and pragmatic. In particular, it appears to have introduced a change of emphasis of the role of trade unions.

The discussion paper makes no mention of compulsory disclosure to trade unions, although it gives no indication that this provision is to be dropped from the Industry Bill.

The paper clarifies that the Department sees agreements arising basically through a two-way dialogue between companies and the Government. Officials hope that unions will participate in negotiations.

The paper says: "The Government envisages that union representatives from companies, while not formally parties to planning agreements, will take part where they so wish in consultations on agreements with the Government."

Contentious

However, it goes on, "It is likely that workers will wish to pursue particular issues in far more detail than is possible at Government level, and it is therefore envisaged that this wish will be met by arrangements within the company."

The Paper is also emphatic on the contentious point that the Agreements will be "wholly voluntary" and "based on consent."

It goes on to say that the Government's approach to this new, voluntary relationship will be "constructive."

"In its relationship with companies its attitude will be one of give and take," the Paper says.

The controversial National Enterprise Board will not be involved in the negotiation of Planning Agreements. Nor will confidential information provided to the Government by companies about their business be available to the Board.

However, there may be occasions, the Paper says, when it might be appropriate to involve the National Enterprise Board as a possible source of finance for its programme or as a partner in a joint venture.

The Government's role will be to provide selective assistance including the issuing of Industrial Development Certificates and, in certain circumstances, entering into equity participations.

The assistance could also take many other forms. Another of the points which the Discussion Paper clarifies is the matter of regional assistance.

The Industry Bill now before Parliament proposed that the Government should have the power to underwrite certain levels of regional assistance, providing an agreement is made for investment projects in assisted areas. The Discussion Paper reiterates that this power will be limited to Planning Agreement companies.

This limitation, the Paper says, "is an expression of the Government's awareness that, if companies are to enter into understandings about their long-term intentions, the Government should be able to respond in a like manner."

The Government is also willing to use its resources in support of export programmes, to assist through the Manpower Services Commission, to meet planned requirements for skilled workers, and to consider the possibility of using its powers under the Science and Technology Act of 1965 for purposes of Research and Development.

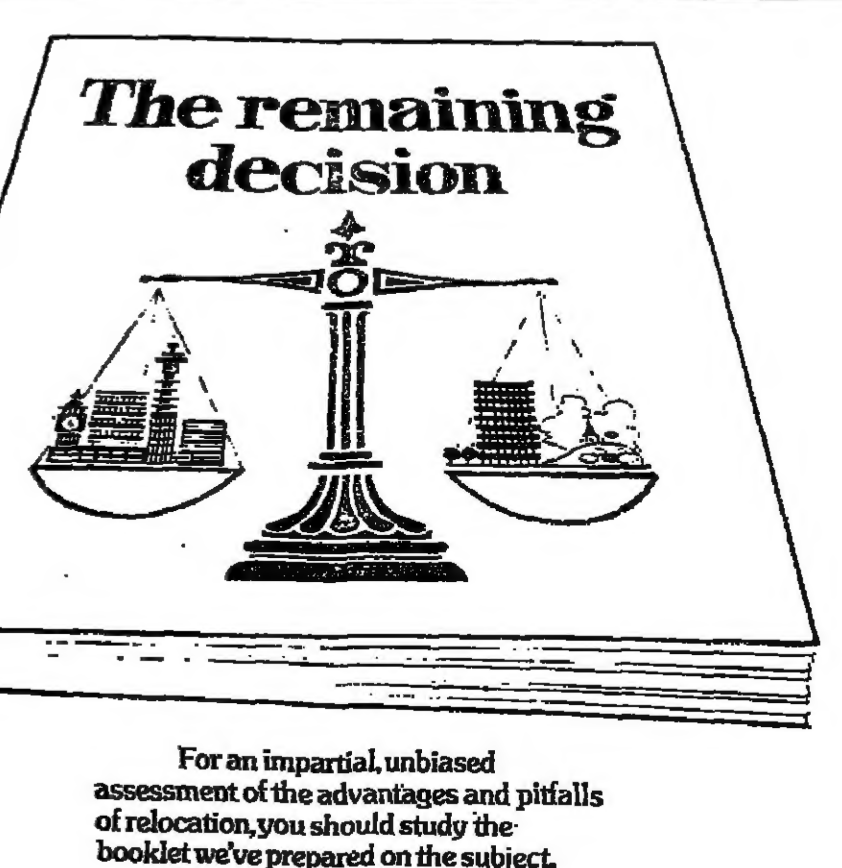
All of this should contribute to the main goal of Planning Agreements which, the Paper says, "is to offer companies an opportunity to develop a closer relationship with Government as a whole in order to achieve the maximum co-ordination between the needs of a company, and the services and supports available from the relevant Government Departments and agencies."

Officials in the Department are aware of the perennial problem that Government thinking and planning often tends to be short term, whereas some industries need to plan over much longer periods often up to 20 years and beyond.

The feeling among officials is that one of the benefits of the Planning Agreements is that they will enable the Government and industry to harmonise time scales.

The Department hopes that the Paper will stimulate as wide a discussion as possible. The Confederation of British Industry is keeping its powder dry for the moment, however. A spokesman for the CBI said the Confederation would be making a comment in the "distant future."

Union reaction, Back Page
Planning agreements toned down. Page 14



LOMBARD

The conference we really need

BY C. GORDON TETHER

THERE CAN obviously be no *objection to the heads of government* and Foreign Ministers of the five leading Western economic powers getting together to discuss the world's growing unemployment problem. But it is hard to see how a conference that deliberately excludes Finance Ministers is going to be in a good position to get to grips with a problem which is largely rooted in the growth of financial disequilibrium and which—on *present indications*—is *unlikely* to yield to treatment so long as *that disequilibrium is* allowed to persist.

The world-wide rise in unemployment to levels not previously experienced since the close of World War II is, of course, a product of the global recession that has developed during the past year or two as a *result of two major developments* on the financial front. One was the dislocation of international payments patterns precipitated by the oil prices explosion. The other was a general upsurge in inflation of such intensity that *many countries were persuaded* that only the most vigorous retrenchment programmes could save them from financial disaster.

In the clear

Insofar as there has been anything in the *nature of a global* approach to this critical turn in world affairs, it appears to have been based so far on the proposition that, if the countries unhampered by balance of payments restraint will avail *themselves of this room for* manoeuvre to spear-head reflationary movement, economic activity in the world at large can be set moving back to normal.

There can be little doubt that this will indeed be one of the *main subjects under discussion* at the forthcoming five-nation get-together. For all but one of the participating countries — Britain — are now in the happy position of being free of immediately pressing balance of *payments problems*.

There are, however, good reasons for wondering whether any of the horses that have been selected to make the running are going to display an appropriate enthusiasm to move. The U.S. *administration is currently* engaging in an intensive pep talk campaign aimed at convincing public opinion at home and abroad that the corner has been turned.

But the recovery there has not *developed much momentum yet.* And some U.S. commentators have been arguing that the situation is unlikely to change so long as the Federal Reserve's concern to see that inflation does not start escalating again results in it keeping the growth of the *money supply short of the* amount needed to neutralise *considerable inroads which the* rise in prices is still making into purchasing power.

As for Germany—another of the projected front-runners—Herr Emminger, the deputy governor of the central bank, devoted a considerable part of a speech he recently made in London to demonstrating why she is finding the greatest difficulty in obliging. His story was that German growth had always largely depended for its stimulus on exports. So when the *situation in international markets* is not conducive to export-led *growth*, there is apt to be no German growth—no matter how hard the German authorities work to bring it about.

He did hold out some hope of Germany being able to mount an upswing as 1975 drew to its close as a result of the decline in exports levelling out.

The story from the remaining two of the "chosen" four—Japan and France—has a similar ring. Their re-expansion efforts are not making much headway against the *recessionary influences* they are having to import *from the outside world.* Moreover, they are loth to give overmuch of a stimulus to economic activity on the home front while inflation rates are running at levels which are still very high.

Bankruptcy

They are also having to contend—as, indeed, are would-be *reflationary* governments all over the world—with a manifest unwillingness on the part of the business community and consumers to get more spending-*minded. And when so much* damage has been inflicted on confidence and such serious doubts raised about the future, it is hardly surprising that there should be such a reluctance to bounce back.

It looks, in short, as though the world has got itself into a fix from which it is not going to be extricated by wishful thinking about the communicative effects of a switch to growth in the strong currency countries—the *more so as there* may well be more shocks to come, to judge by *the fact that a number of less-*developed countries now appear to be on the verge of bankruptcy.

The need is to go back to the point where it all started—gross *mismanagement of the world's* monetary affairs. And the only kind of *international conference* that will do any good—as France's President was implicitly pointing out a week or two back —is one that sets itself the task *of making a really meaningful* frontal attack on this problem.

SALEROOM

Buoyancy in stamp market

By Michael Thompson-Noel

THE buoyancy of the stamp market was underlined yesterday with the release of Robson Lowe International's sales figures for the past season, which show an 11 per cent. improvement to a record £2.37m. for 1974-75.

The company, the world's biggest stamp auctioneer, said last night: "Genuine collectors—and that means 90 per cent. of buyers—will always wish to add *to their collections, whatever the* general economic climate. Apart *from the pleasure of collecting,* the many other advantages of stamps include easy storage, manoeuvrability, a world-wide market and of course financial appreciation."

The company's sales of Great Britain stamps totalled £434,200 compared with £221,957, while *British Empire sales* reached £334,717 against £287,441.

One of the highlights of the past season was the sale of *the "Victoria" collection of* penny blacks, penny reds and twopenny blues, formed by their owner between 1832 and 1957 at a cost of about £9,000. *Expected* to realise £100,000, the collection eventually made more *than* twice that amount.

One of the more remarkable *prices* included £3,000 for an 1841 penny red with the extremely rare yellow cancellation of "Stratford on Avon." Without that cancellation the *stamp would have been worth* barely 10p.

New venture

A new venture for the company this season were its sales *in Geneva* on May 1 and 2, staged in conjunction with Christie's. High spots included £93,333 paid by an Italian collector for two covers from Parma, Italy, and £75,000 paid by an American collector for the famous British Guinea cover bearing two 2-cents "cotton-reel" stamps.

● A sale of English and Continental oak, pewter and metalwork at Christie's yesterday totalled £42,359, including £1,102.50 for a 17th-century Flemish oak refectory table and £945 for an early 18th-century French provincial chestnut dresser.

Suffolk by-pass section opens

A SIX-MILE section of the new A45 Stowmarket to Claydon bypass in Suffolk was opened yesterday. The stretch of dual carriageway, part of a nine-and-a-half-mile bypass which has cost £9m., is included in a plan to provide a high grade strategic route between the Midlands, East Anglia and East coast ports.

GOLF | BY BEN WRIGHT

Player opens with a 72 in the U.S. P.G.A.

HABIT DIES hard, and in the early stages of the first *round of* the 57th U.S. PGA Championship *over the South* Course of the Firestone Country Club here on this beautiful sunny but surprisingly cool day, it appears possible that there will be the usual surprise leader.

But surprise is hardly the adequate word on this occasion, *since* the man in question may be 51-year-old Fred Wampler, a former tour player who has given tournaments a miss for the past eight years, contenting himself with his job as head professional at Denver Country Club in Colorado. With four holes *to* play, Wampler was three under par.

Closest to him, and playing immediately behind Wampler, is Billy Casper, who was two under par after 14 *holes*.

The early leader Bob Wynn, from Santa Clara, *California*, on one-under-par 69. This is no *surprise,* since the Californian is enjoying his best-ever season. He is followed at 70 by the tall, black professional Jim Dent, the longest hitter on the tour, who holds obvious advantages on a fearsome course, 7,180 yards long and very soft after heavy rain at the weekend.

Next on 71 was the young South African Bobby Cole, and immediately behind him at 72 his compatriot, Gary Player, and the 1974 U.S. Open *champion*, Hale Irwin, who beat Player in *the final—a memorable one*—of last October's Piccadilly World Matchplay Championship.

I set out with Player before 8.30 a.m., on a perfect morning for golf, but this, to my knowledge, is the most difficult par 70 golf course in the world.

The fairways are certainly much longer grown than is customary here, a course as well-manicured as any in the world.

Player's driving, sketchy of late, was well-nigh perfect. He missed only two fairways, the 14th and 18th, and none on the outward half, which he covered in 34 shots, one under par. His only birdie came at the uphill 500-yards par-five second, where he struck a sand-wedged shot almost stone dead.

Player's only suggestion of a mistake on the outward half was to miss the fourth green, but he scrambled his par, as one *has come to expect.*

The surprise was that he failed to get up and down in two shots from bunkers at the par three 12th and 15th holes, at *both* of which he dropped strokes to par.

His last mistake in a homeward half of 38 shots was to *hit a nine-iron* clean over the 17th green—a stroke that carried 173 yards from a patch of deep grass in the fairway, what the professionals call a "flying lie."

RACING | BY DOMINIC WIGAN

Fast ground will suit Destino

CAROLYN MERCER, who has come to be recognised as one of the strongest and most competent *women riders*, had an armchair ride on *Destino* in the Sarah Coventry Stakes at Doncaster a month ago, and I shall be surprised if Harry Wragg's tough four-year-old cannot provide her with another success to-day.

REDCAR
2.35—Nagwa
3.40—Destino*
4.40—Sir Something

HAYDOCK
2.15—Johnny Turner
2.45—Supermoll**
3.15—Huntsman's Leap
3.45—Sacha Royale
4.15—*Astraline*
4.45—VAT***

LINGFIELD
2.00—Prince Lambourn
3.00—Nacre
3.30—Corraggio
4.30—Woodwind

The powerful Newmarket bay bids to follow up in Redcar's Daily Mirror Belle Handicap (3.40). Provided he can reproduce that Doncaster running, which put 12 lengths between *himself* and the runner-up Takasaki, Destino, who will be well suited by the fast ground, should have few problems.

I expect to see him followed home by the improving Howells, *a narrow winner* from Nigella Damascena on her last appearance.

Whatever the fate of Howells, Barry Hills seems likely to collect at least one first prize. Two other useful performers *from his Lambourn stable*, Nagwa and Sir Something, hold sound chances.

Nagwa, who was caught in the final couple of strides of the Princess Margaret Stakes at Ascot, has much less to do even with 9 st 4 lb, in the Derwent Nursery (2.35); while *Sir Something* need only run up to his best form to land the weakly-contested Middleton Plate (4.40), running in preference to stable-mate Sackville.

Pat Eddery, who raced to one of the fastest centuries achieved since the war *when scoring on* Acquire at Warwick yesterday, turns his attention to Haydock this afternoon, where his safest proposition appears to be *Johnny Turner*, an assured favourite for the Lady Hill Plate (2.15).

On his only previous outing this Realm two-year-old outclassed seven poor rivals at Sandown towards the end of last month.

Two other likely winners for the champion are *Supermoll* in the Grandstand Selling Plate (2.45) and *VAT*, who goes for the closing event, the West Lancashire Maiden Plate (4.45). VAT is a confident choice to justify prohibitive odds.

Gavin Pritchard-Gordon, who is enjoying a profitable spell, can reach 21 wins this season *at* Lingfield with *Nacre* in the Gatwick Handicap (3.00) and *Corraggio*, in the Croydon Handicap (3.30).

Road transport costs up 7.5%

ROAD HAULAGE costs rose by 7.56 per cent. in the first half of 1975 according to a survey by the Road Haulage Association's commercial committee. Vehicle operating costs accounted for *5.92 per cent. of the increase* and overheads for 1.67 per cent. Finance charges showed a decrease of 0.03 per cent.

"Substantial" increases were noted, says the survey, particularly in the cost of tyres which went up by 7.5 per cent., materials and outside repairs *(10.75 per cent.)*, vehicle excise duty (33.33 per cent.), vehicles (16.37 per cent. depreciation), vehicle insurance (9.65 per cent.), administration (10 per cent.) and establishment charges (17.5 per cent.).

YACHTING | BY ALEC BEILBY

Cowes comes to a halt

COWES, August 7.

FOLLOWING THE agonising crawl that ended the third race of the Admiral's Cup series at Cowes *last night*, Cowes week came to a virtual halt to-day as the wind, the one final ingredient of yachting, failed *again.* Out of the nocturnal problems came good news for Britain whose three yachts, Yeoman XX, Noryema and Battlecry were placed first, third and thirty-first respectively in yesterday's race for it has given them a lead of 35 points over the previous points leaders, the Germans, as they go to the start of the Fastnet race on Saturday. Battlecry's apparent poor *showing* resulted when she split tacks with her team-mates and headed for the North Solent shore with the *Germans* who faired badly.

Encouraging

While it is an encouraging feeling to start the Fastnet race in pole position it would be very unwise to forecast that the coveted trophy, at present held by the Germans, is already on its way to the Royal Ocean Racing Club headquarters in St. James's, London. Worth triple points, the first yacht home in the race, which will hopefully arrive at Plymouth in the middle of next week, wind allowing, will receive 171 points while the last yacht will earn nothing. Battlecry's crew's hopes are high as their sail number is 171. Conversely, a lead of 35 points means a mere total of 12 places between the three British and three German yachts.

The Germans, the Americans and, more drastically, the Australians suffered in yesterday's race when *most of* the fleet were trapped with no wind, attempting to stem a strong tide, some yachts only yards from the finish. The Australian yacht Bumblebee, which had led for much of the way, hit a mark of the course *300 yards from* the finish, retired and earned nothing.

To-day, led *from* the starting line by the veteran gaff-rigged yachts sailing the Fastnet course to commemorate the 50th anniversary of the event, the Class I yachts arrived at the *line* in a flat calm to race for the New York Yacht Club Trophy. The start resembled a bad accident on a merry-go-round as yachts pointing in almost every direction but the right one, rotated in tightly-knit groups while their crews exchanged pleasantries and *occasionally the converse.* The remaining cruising yacht classes then joined the merry melee at 15-minute intervals and soon, facing a 10-mile drift to Lymington, and eventually back on the tide later to-day, the first *retirements* headed *for Cowes.* Even though the course was a mere 25 miles, short for this Cowes week classic, completion seemed almost impossible until a trace of an easterly breeze touched the Solent, but it was hardly enough to compete with the still strong westerly-running tide. More retirements followed as those on the shore and afloat *sweltered in the hottest sunshine* yet, unrelieved by the breeze. By *late afternoon* the New York Yacht Club Trophy seemed to be threatened and one leading international yachtsman, who has been enjoying both the racing and the social life, said that by the end of the week he would be suffering frustration, insomnia, malnutrition, cirrhosis and bankruptcy. Many crews who had started racing to-day returned to *Cowes early to begin* the preparation and storing of their yachts for the Fastnet race, which, if the weather map fails to improve may go down in the records as the longest race in the history of offshore racing.

The smaller cruising classes, who have been lost from the general view in the *glare* that surrounds the Admiral's Cup, have also had their problems and the guns indicating shortened courses have been blasting away from the Royal Yacht Squadron battlements as if November 5 is early this year while similar pyrotechnics have accompanied most starts as yachts struggle to recross starting lines having been driven over early by the sluicing tides.

Amazed

Many of the international *yachtsmen*, visiting Cowes for the first time, are amazed at the fickleness of these Solent currents, tides and shoals and more than a few have spent uncomfortable moments aground. Most vociferous in their comments on the type of racing experienced this year have been the Austra*lians, who are now lying* sixth equal with Switzerland in the Admiral's Cup series.

They are threatening to hold the Southern Cross Cup series in Pitt Water next Christmas. Pitt Water, a long narrow sea loch to the north of Sydney, is famous for its long periods of calm at Christmas time when the series is held but it must be noted that Britain are current holders of this trophy, the Antipodean equivalent of the Admiral's Cup.

Positions after three races: 1, Gt. Britain, 642 pts.; 2, Germany, 597; 3, United States, 494; 4, New Zealand, 444; 5, Ireland, 422; 6, Switzerland and Australia, 402.

TV Radio

† Indicates programme in *black and white.*

BBC 1

10.00 a.m. Wacky Races. †10.10 Casey Jones. 10.35 Vision On. 1.00 p.m. 'Steddfod 75. 1.20 Along the Seashore. 1.45 News. †4.22 Regional News (except London). 4.25 Play School. 4.50 Natural Break. 5.00 Scooby Doo. 5.40 Sir Prancelot.
5.45 News.
6.00 Nationwide.
6.25 The Disney Adventure.
7.55 The Liver Birds.
8.25 *The Other Broadway: Jerry* Lewis, Abbe Lane.
9.00 News.
9.25 Beneath The News.
9.35 "The Law," (film specially made for television).
11.55 Regional News.

All regions as BBC 1 except at the following times:

Wales—3.00-3.45 p.m. Eisteddfod Genedlaethol Frenhinol Cymru Bro *Dwyfor 1975.* 6.00-6.25 Wales To-day. 6.25-6.55 A Question of Sport. 6.55-7.05 Newyddion. 7.05-7.30 'Steddfod '75. 7.30-7.55 Wildlife Safari to the Argentine. 11.55 News.

Scotland—6.00-6.25 p.m. Reporting Scotland. 11.55 Scottish News Summary.

Northern Ireland—4.23-4.25 p.m. Northern Ireland News. 6.00-6.25 Scene Around Six. 11.55 Northern Ireland News Headlines.

England—6.00-6.25 Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South West (from *Plymouth*).

BBC 2

6.40 a.m. Open University.
11.00 *Play School.*
5.00 p.m. Open University.
7.30 Newsday.
7.45 Living On The Land.
8.10 Mr. Truman, Why Did You Drop The Second Bomb?
9.00 Ten From The Twenties.
9.55 The Great Orchestras: Chicago Symphony Orchestra.
10.55 News Extra.
11.25 Closedown. Lyndon Brook reads "The Roman Wall Revisited" by Kathleen Baine.

LONDON

†10.10 a.m. Bertrand Russell Speaks His Mind. 10.25 Wildlife Theatre. †10.50 "Spare A Copper," starring George Formby. 12.05 p.m. Elephant Boy. 12.30 Larry The Lamb. 12.40 Rainbow. 1.00 First Report: News, plus FT index. 1.20 Lunchtime To-day. *1.30 Songs That Stopped The* Shows. 2.00 Good Afternoon. 2.25 Racing From Redcar. 4.20 Robert's Robots. 4.50 Magpie. 5.20 University Challenge.
5.50 *News from ITN.*
6.00 To-day.
6.35 Crossroads.
7.00 Winner Takes All.
7.30 General Hospital.
8.30 *The Squirrels.*
9.00 Police Woman.
10.00 News.
10.30 Police Five.
10.40 The Friday Film: "In Search of Gregory," starring Julie Christie and Michael Sarrazin.
12.15 a.m. Go And Do Likewise.

All ITV regions as London except at the following times:

ANGLIA

1.25 p.m. Anglia News. 2.00 Women Only. 5.20 Wait Till Your Father Gets Home. 6.00 About Anglia. 7.00 Survival. 10.30 Great Little Trains of Wales. 11.00 Kung Fu. 11.55 Men Who Matter.

ATV MIDLANDS

1.20 p.m. Lunchtime Newsdesk. 5.20 The Flintstones. 6.00 ATV Today. 7.00 General Hospital. 8.00 Not On Your Nellie. 9.00 The Streets of San Francisco. 10.30 Appointment With Fear: "The Blood Beast Terror," starring Peter Cushing.

BORDER

†1.25 p.m. Border News. 2.00 Women Only. 5.20 The New Adventures of Superman. 6.00 Border News and Lookaround. 7.00 The Protectors. 9.00 Police Story. 10.30 Border Parliamentary Report. †11.00 Late Night Film: "Eye of the Devil," starring David Niven. †12.35 a.m. Border News Summary.

CHANNEL

1.25 p.m. Channel Lunch-time News and What's On Where. 5.20 Untamed World. 6.00 Channel News. 6.10 Funky Phantom. 7.00 Survival. 9.00 Police Story. 10.30 What Have We Here? 10.55 Friday Late Night Movie: "The Hoodlum Priest."

GRAMPIAN

12.35 p.m. Lunch-time Call. 1.20 Grampian News Headlines. 5.15 Wait Till Your *Father Gets Home.* 6.00 *Grampian News.* 6.10 One Northern Summer. 7.00 General Hospital. 8.00 The Protectors. 9.00 Police *Story.* 10.30 *Perspective.* 11.00 *Man of the Sea,* followed by Road Report. 12.00 Evening Prayers.

GRANADA

10.35 a.m. Sesame Street. 11.30 Clapperboard. 11.55 Thunderbirds. 1.20 Take Kerr. 5.15 p.m. Cartoon. 5.20 Crossroads. 6.00 Granada News. 6.05 Kick Off. 6.35 Randall and Hopkirk (Deceased). 9.00 *Police Story.* 10.30 *Granada Profile.* 11.00 Mystery Movie. 12.45 a.m. Theatre Macabre.

HTV

1.20 p.m. Report West Headlines. 1.25 Report Wales Headlines. 2.00 Women Only. 5.20 Orbit 5. 5.25 Crossroads. 6.01 Report West. 6.15 Report Wales. 6.30 University Challenge. 7.00 Not On Your Nellie. 9.00 Kung Fu. 10.30 Police Surgeon. 11.00 U.F.O.

HTV Cymru/Wales—As HTV General *Service except:* 1.20-1.25 p.m. Penawdau Newyddion Y Dydd. 2.00 The Royal National Eisteddfod of Wales. 4.20 Cestyll Cantamil. 6.00-6.15 Y Dydd. 6.30-7.00 Eisteddfod Genedlaethol Bro Dwyfor.

HTV West—As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.15-6.30 Report West.

SCOTTISH

11.55 a.m. Operation Rescue. 12.15 p.m. Alphabet Soup. 1.25 Road and Weather Report. 2.00 Women Only. 5.20 Kiri. 5.25 Crossroads. 6.00 Scottish News. 6.05 Isabel On Friday. 7.00 Not On Your Nellie. 9.00 Police Story. 10.30 Late Call. 10.35 Feature Film: "The Quiller Memorandum," starring George Segal.

SOUTHERN

11.00 a.m. Yoga For Health. 11.20 L For Logic. 11.45 Eastern Food in an English Kitchen. 12.05 p.m. Skippy. 12.30 Sammy Hamster's Adventures on the Riverbank. 1.20 Southern News. 1.30 Songs That Stopped The Shows. 2.00 Women Only. 5.20 Week-end. 5.25 Crossroads. 6.00 Day By Day (Channels 6, 11, 27, 42, 58 and 60). 6.00 Scene South-East (Channels 10, 43, 64 and 66). 6.35 The Zoo Gang. 10.30 Afloat. 11.00 The Collaborators. 11.55 Southern News Extra. 12.05 a.m. Untamed World.

TYNE TEES

12.35 p.m. Starting Point. 5.20 The *Count of Monte Cristo.* 6.00 *North-East* News. 6.05 Division. 7.00 Chopper One. 9.00 Police Story. †10.30 The Friday Night Film: "Night Creatures," starring Peter Cushing and Oliver Reed. 12.00 Late News Headlines. 12.05 a.m. Open Bible.

ULSTER

1.20 p.m. Ulster News Headlines. 4.18 *Ulster News Headlines.* 5.20 Wait Till Your Father Gets Home. 6.00 Summer Reports. 6.25 Police Six. 7.00 Chopper One. 9.00 Police *Story.* 10.30 Cardiff Tattoo. 11.30 The Odd Couple.

WESTWARD

11.25 a.m. Let's Face It. 11.50 The Tomfoolery Show. 12.15 p.m. Skippy. 12.38 Gus Honeybun's Birthdays. 1.20 Westward News Headlines. 5.20 Untamed World. 6.00 Westward Diary and Sports Desk. 7.00 Miss Westward. 9.00 Police Story. 10.32 Westward Late News. 10.35 What Have We Here? †10.55 Friday Late Night Movie: "The Hoodlum Priest," starring Don Murray. 12.40 a.m. Faith For Life.

YORKSHIRE

1.20 p.m. Calendar News. 5.20 The Count of Monte Christo. 6.00 Calendar. 7.00 Miss Yorkshire Television. 9.00 Police Story. 10.30 Mandu. †11.00 The Friday Night Film: "Man On Fire," *starring Bing Crosby and Inger Stevens.*

RADIO 1 247m

(S) Stereophonic broadcast.

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Tony Blackburn. 11.00 Rosko with The Radio 1 Roadshow. 12.30 p.m. Newsbeat. 12.45 Johnnie Walker. 2.02 David Hamilton (S) (also on VHF). 5.00 Newsbeat. 5.15 Rosko's Round Table. 7.00-12.33 a.m. As Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. *News Summary.* 6.02 Simon Bates (S) including 6.15 Pause for Thought. 7.02 Terry Wogan (S) including *8.27 Racing Bulletin and at 8.45 Pause for* Thought. 9.02-11.30 Pete Murray's Open House (S) including 10.30 Waggoners' Walk. 11.30 *Jimmy Young (S).* 1.50 Sports Desk. 1.55 Good Listening (VHF). 2.02 p.m. David Hamilton (S) as Radio 1, but including on 1,500m only (also 202m Scotland) 2.45, 3.45 and 4.45 Sports Desk. 5.02 Waggoners' Walk. 5.17 Sam Costa (S) including 5.45 *Sports Desk.* 6.45 Sports Desk. 7.02 Just for Fun. 7.30 Sports Desk. 7.32 Frank Chacksfield (S). 8.32 Friday Night is Music Night: from the Queensway Hall, Dunstable (S). 10.02 Sports Desk. 10.05 Len Jackson with Music Through Midnight (S) and 12.00 News. 12.31 a.m. News Summary.

RADIO 3 464m, Stereo & VHF

‡ Medium Wave only

7.00 a.m. News. 7.05 Overture: Rodrigo, Mompou, Falla (S). 8.00 News. 8.05 Morning Concert: Handel, Rossini, Handel Boccherini (S). 9.00 News. 9.05 This Week's Composer: Tchaikovsky (S). 9.55 Stonyhurst Summer School of Music 1975, part 1: Schubert, Mahler (S). 10.35 Dr. J. F. Hanratty talks about the school. 10.45 Concert, part 2: Richard Hall, Schubert. 11.30 Beethoven recital (S). 12.15 p.m. Academy of the BBC, part 1: Gerhard, Strauss (S). 1.00 News. 1.05 Playbill (S). 1.20 Academy of the BBC, part 2: Mozart (S). 2.00 Chamber Music from Keele University, part 1: Weber, Grieg (S). 3.00 Words . . . D. J. Enright reflects. 3.05 Chamber Music recital, part 2: Mozart (S). 3.45 Three Piano Sonatas (S). 5.00 Anthony Hedges Concert (S). ‡5.45 Homeward Bound. ‡6.05 News. ‡6.10 Homeward Bound (continued). ‡6.30 Study On 3. 7.30 *Proms Concert,* part 1: Elgar, David Bedford (S). 8.35 The Sentimental Traveller. 8.55 Proms *Concert, part 2: Brahms* (S). 9.40 Music Now: Hans Werner Henze. 10.30 Kreisler and Giuliani recital (S). 11.25 News.

Radio 3 VHF only—6.00-7.00 a.m. and 5.45-7.30 p.m. Open University.

RADIO 4 434m, 330m, 285m and VHF

6.20 a.m. News. 6.22 Farming Today. 6.40 Prayer for the Day. 6.45 Today, including 6.50 VHF Regional News. 6.55 Weather, programme news. 7.00 News and more of Today: 7.27 Sportsdesk, 7.35 Today's Papers, 7.45 Thought *for* the Day. 7.50 VHF Regional News. 7.55 Weather, programme news. 8.00 News and more of Today: 8.27 Sportsdesk and 8.35 Today's *Papers.* 8.45 *Yesterday in Parliament.* 9.00 News. 9.05 Voice of the People. 10.00 News. 10.05 Checkpoint. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 With Great Pleasure. 11.30 The Victorian Manner. 12.00 News. 12.02 p.m. You and Yours. 12.27 Whatever Happened to the Likely Lads? (S). 12.55 Weather, programme news. VHF (except London and SE) Regional News. 1.00 The World At One. 1.30 The Archers. 1.45 Woman's Hour visits Birmingham (including 2.00-2.02 News). 2.05 Listen With Mother. 3.00 News. 3.05 Afternoon Theatre. 4.00 News. 4.05 Any Answers? 4.35 Story Time. 5.00 PM Reports. 5.50 Financial Report. VHF Regional News. 5.55 Weather, programme news. 6.00 News. 6.15 Brain of Britain 1975. 6.45 The Archers. 7.00 *News Desk.* 7.30 Pick of the Week. 8.30 Any Questions? 9.15 Letter from America. 9.30 Kaleidoscope. 9.59 *Weather.* 10.00 *The World Tonight.* 10.45 A Book At Bedtime. 11.00 The Financial World Tonight. Radio 4's *International* Business Report Market Trends. 11.15 Week Ending . . . (review of the week's news). 11.40 News.

BBC Radio London 206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Rush Hour. 9.02 Downtown. 11.03 In Town. 12.03 p.m. *Call In—1.* 12.45 London *News* Desk. 1.00 Call In—2. 2.03 206 Showcase. 3.45 The London Gardener. 4.03 Lobby. 4.32 *Home Run* including London News Desk at 5.0, 6.0. 6.30 Sportsfield. 7.00 In Town. 8.00 Good Fishing. 8.30 *London Country.* 10.03-2.00 a.m. Popshop.

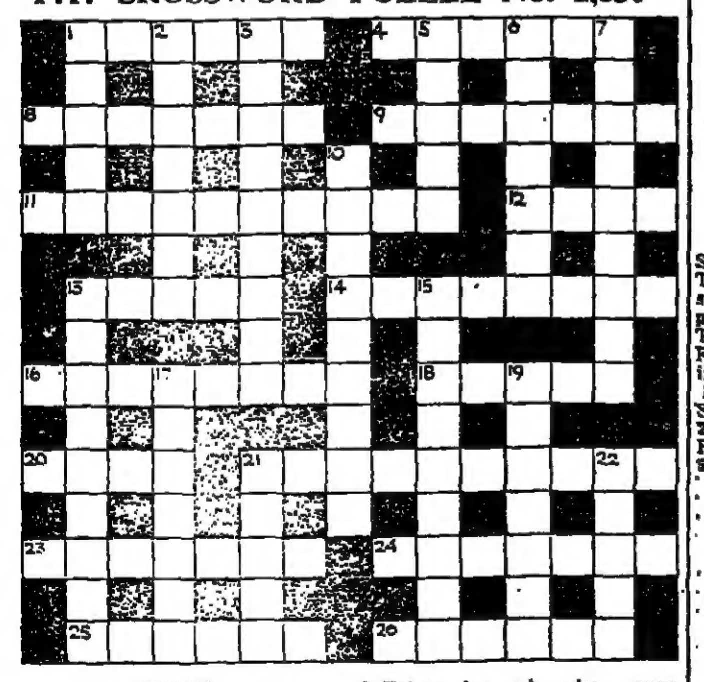
London Broadcasting 261m and 97.3 VHF

6.00 a.m. "AM" breakfast-time news show, with interviews, traffic and travel service, plus sport. 10.00 Open Line—London talks to George Gale, with guest Mr. Peter Shore. 12.00 Newswatch. 6.00 p.m. Newsbreak. 7.30 Jazz in Stereo, presented by Andrew Carnegie. 9.00 Love in London. 1.00-6.30 a.m. Nightwatch—news every half hour.

Capital Radio 194m and 95.8 VHF

6.30 a.m. The Breakfast Show. 9.00 Michael Aspel presents music, guests, competitions and "Swapshop." 12.00 Cash on Delivery. 3.00 p.m. Roger Scott. 7.00 London To-day. 7.30 Open Line. 9.00 Your Mother Wouldn't Like It. Nicky Horne's rock show. 11.00 Tony Myatt and his late night show. 2.00 a.m. Night Flight.

F.T. CROSSWORD PUZZLE No. 2,850



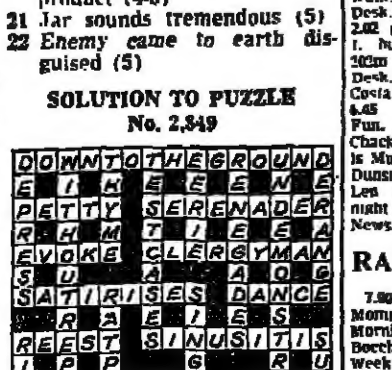
ACROSS

1, 4 Snag getting *a couple of* sailors to meet surprisingly difficult opponent (5, 1, 5)
8 Childhood seen in imagination (7)
9 Tory relative in short goes to West-end to make up (7)
11 Excellent control of divine principle of reciprocity (6, 4)
12 One offer is in the same book according to footnote (4)
13 *Have sympathy about direction of devotion* (5)
14 *Turner at Lords* causes injury to member (3, 5)
16 Kind of Lily to upset lads' hope (8)
18 Pour fat over stitch at length (5)
20 Girl appears in truth to have cut off city (4)
21 Can a crook forsake crime? (2, 8)
23 Servant in the infantry (7)
24 *Quick return that makes tripe so peculiar* (7)
25 Hide processer for a small sum (6)
26 Complainant sampling the roast (6)

DOWN

1 Has ability *to write part of* poem (5)
2 Nonsense spoken on duck walk after tea (7)
3 Taken by cab when overworked (9)
5 Sailor takes poetry home (5)
6 Easier on the palate thanks to row (7)
7 Peasant had some food to *send down* (9)
10 No room curse it to be at maximum capacity (4, 5)
13 Left when qualified (6, 3)
15 Georgia goes to pub to eat in raincoat (9)
17 Cheer courage shown by Cockney female (7)
19 Cause of 14 going as a by-product (4-3)
21 Jar sounds tremendous (5)
22 *Enemy came to earth disguised* (5)

SOLUTION TO PUZZLE No. 2,849



CINEMAS ARE CONTINUED ON PAGE 23

هكذا من الاصل

Cinema

Cold Comfort Film

by NIGEL ANDREWS

Earth is a Sinful Song (X)
Paris-Pullman
That Lucky Touch (A)
Odeon Leicester Square
Confessions of a Pop Performer (X)
Ritz from August 14
A Safe Place (AA)
Screen Islington Green
Truck Turner (X)
Classic Victoria from August 14

Maritta Viitamäki and Niiles-Jouni Aikio in 'Earth is a Sinful Song'

Finland is not a country that has made an overwhelming impact on world cinema. Promising directors have surfaced there from time to time, but for the most part it has been left to the country's larger and more densely populated neighbour to the west—the land of Greta Garbo, of Mauritz Stiller and Victor Sjostrom, of Ingmar and Ingrid Bergman—to give Scandinavia a prestigious place in the cinema history books. In recent years, however, Finland has contributed a slightly larger complement of talented directors to the annual film festival scene—Risto Jarva, Mikko Niskanen, Erkko Kivikoski, among others: an improvement brought about, at least in part, by the setting up, in 1969, of a Finnish Film Foundation which provided government support for the making of feature films.

Last year, for example, it was a Finnish film, not a Swedish film, that stole all the honours at the major European festivals. Rauni Mollberg's *Earth, Is A Sinful Song* went the rounds of the Cannes, Berlin and Locarno festivals, picking up accolades at every new showing. Some critics liked it, some critics didn't: but none could deny that it was something of a breakthrough in Finnish cinema. Here was a film that brought its own humour and its own dark, earthy realism to its picture of life in a far-flung corner of the Finnish North.

The far-flung corner in question is a village in Lappland: Siskonranta, a snowbound huddle of houses and farmsteads cut off from all contact with the outside world, save for a yearly visit from the reindeer herdsmen and the intermittent appearances of a travelling preacher. Life in Siskonranta is reduced to the old, unchanging cycle of birth, copulation and death: a cycle made to seem more naked and more inevitable in the harsh context of the villagers' lives than in the cosy insulation of more civilised life-styles.

Although Mollberg's film sometimes threatens to topple over into *Cold Comfort Farm* Finnish-style, its great achievement is to have endowed its setting and its characters with a sharp and wholly unromantic realism. There is the heroine Martta (*Maritta Viitamaki*), a big, dark-eyed, roly-poly peasant girl with an infectiously buxom laugh: there is her frail, whining skin-and-bones of a mother: there is her gnarled, wickedly humorous grandfather: and there is the assortment of suitors who, with approaches ranging from decorous insinuation to full frontal assault, try to win their beloved's favours.

What little plot the film has—and for the most part it's built on an episodic, Scenes-From-Peasant-Life kind of line—concerns the impact made on the girl by the arrival in the village of a young reindeer herdsman. This handsome youth, decked out in a costume of stunningly improbable splendour that would seem rather to have strayed from an Elizabeth court rather than from the frozen wastes of the North, seduces the heroine, gets her pregnant, promises marriage, goes away, comes back, promises marriage again and then, just when an air of emotional permanence might seem to be settling on the happy couple, incurs the wrath of her father and ends up disappearing through an ice hole after being pursued by him for many a furlong across the frozen countryside.

The mortality rate in the film is alarming. Not just the old folk passing peaceably away, or the young folk meeting their premature ends, but the animals, born and unborn, with whose lives the peasants' own are so inextricably bound up. An early scene in the film shows the birth of a stillborn calf; the farmer's bloody hand reaching into the womb to retrieve the foetus piece by piece—a leg, another leg, a head. . . . No less gruesome—and no less dispassionately shot—is the annual round-up and slaughter of the reindeer: knives thrusting in to sluice the blood from still palpitating bellies. Death, however large its dominion, has no mystery, no terror in this society. Even at the graveside of a dead friend, the villagers' ribald, backbiting gossip continues unabated and unrepentant.

The remarkable things about Mollberg's film are its realism and its apparent effortlessness. There is no self-conscious laying on of colour, no striving after atmosphere or poetic effect. Mollberg and his camera crew spent eighteen months travelling through the wilds of Lappland, and the result is that they have come as close to their subject as they conceivably could while still preserving a crucial measure of artistic detachment.

*

The suave, charm-school voice, the ageing Adonis looks, the air of groomed, hygienic masculinity—it is not easy to imagine Roger Moore as the star of a wacky British comedy, and the film in which he makes such an appearance does nothing to persuade one that it should be. Directed by Christopher Miles, *That Lucky Touch* rather confirms one's worst fears about Mr. Moore: that he is currently being groomed as the British film industry's latest candidate for world stardom. If he is, he will have to show a lot more charm and versatility than have been evident so far in his film roles; and a lot more resourcefulness when coping with the kind of flagrant miscasting that results, as here, from trying to give your star maximum exposure regardless of the suitability of the vehicles chosen for him.

Moore plays an arms dealer who is visiting Brussels at the time of the NATO war games in the hope of interesting some clients in his wares (notably Lee J. Cobb as a crusty American general). Sharing an hotel with him — in fact, just down the corridor—is Susannah York as a pacifist reporter from the Washington Post. Her speciality is throwing lavish parties for the international top brass and then turning on them in print with revelations of their latest, most newsworthy follies. These two deserve each other, you might think, and it is not very long before they get each other—the pretext for a meeting being Miss York's having locked herself out of her room after her latest party and accepting Mr. Moore's offer of a bed for the night. (He, in hallowed movie tradition, sleeps on the sofa.)

Half way through, after the film has made this preliminary tilt at '30s-style American sex comedy, the pace changes and we have Miss York and Mr. Moore competing for the honours at stake in the big NATO get-together. Mr. Moore wants to sell his arms: Miss York wants to stop him, and to rake up some bad publicity for the military into the bargain. The film's *pièce de resistance* is a fast, furious and totally incomprehensible finale involving a bird shoot in the grounds of a Belgian stately home. Quite what this is all about, and who is supposed to have come out of it best, not even the Press synopsis seems to know. "Michael is a man who always has a surprise up his sleeve," it says cryptically of our hero. "It's true Julia (Miss York) wins. But so does he."

Everyone else connected with this production loses, hands down. Christopher Miles, whose career as a director began so attractively with *Six-sided Triangle* and *The Virgin and the Gypsy*, has been swallowed up in his last two films by the spurious opulence of the productions. (The film previous to this one was *Time For Loving*, another all-star Dimitri de Grunwald presentation.) Despite acknowledgment in the credits to an "original idea" by Moss Hart, this film doesn't even have the germ of a good comic story: and if it had, it would have been frittered away by the over-lavish sets, the elephantine pacing and the overacting of a cast among whose wasted players are Shelley Winters, Jean-Pierre Cassel, Raf Vallone and Donald Sinden.

And there is worse news yet for the British cinema. *Confessions of a Pop Performer* is the follow-up to *Confessions of a Window Cleaner*, and to those who saw that last-named epic of British prurience nothing more need be said. Except that it does need to be said. This film is even worse. The same cast is on hand—Robin Askwith, Anthony Booth, Bill Maynard, Doris Hare—coping bravely with the Herculean task of extracting laughs from a script that seems to have been cobbled together from a collection of the Fifty Most Unfunny Dirty Jokes of All Time. This time, even *they* don't look as if they have any faith in their material, however, and the new tumbril-load of guest stars brought in to fill in supporting roles—Bob Todd, Peter Jones, David Hamilton et al.—perform with the kind of panic vivacity and overkill of actors who know that the film is falling apart around their ears as they speak. The Carry On films pursue the same humble, one-track line of comedy, but at least they do it with confidence and precision. There's nothing more depressing than a film, like this one, that aims low and misses.

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The week's strange mixture in the cinema is completed by two American films. Henry Jaglom's *A Safe Place* was shown three years ago at the London Film Festival: mainly no doubt on the strength of its cast. Jack Nicholson, Orson Welles and Tuesday Weld all appear to good effect in this story of a girl shuttling between various men in search of her own identity. But the film's story is mercilessly rambling and fragmented, and Jaglom's own cutely whimsical direction does nothing to help.

*

Truck Turner is an all-black action thriller directed by Jonathan Kaplan and starring Isaac Hayes (who wrote the score for *Shaft*). The recipe is much as usual—shoot-ups, car chases, fist fights etc.—but the ingredients are mixed together with some style, and the dialogue at least—racy ethnic slang with a liberal smattering of obscenities—is in a class all its own.

Old Vic

Engaged

by B. A. YOUNG

Engaged is written in exactly the same style of dialogue as the libretti of the Gilbert and Sullivan operas, but the plot is a hundred times as good as any of them. Both dialogue and story depend almost wholly on parody. Although the action is set in 1877, lovers still call one another "thee" and "thou"; and the Scots family in whose garden the tale begins speak like characters in the old border ballads. No one in the play ever feels an emotion that is not so wildly out of control that it drives its subject into absurd excesses of behaviour.

Yet in spite of these excesses, the plot holds together like best quality Meccano. The title may refer to six out of the ten main characters; but the most affected is Cheviot Hill, the mean and amorous hero. Cheviot is simultaneously engaged to three girls—Maggie, a Scottish lass who is already promised to an appropriate Scottish lad; Minnie Symperson, a young lady of fortune; and a travelling companion, Belinda Treherne, whom he accidentally marries by Scots law when trying to protect her from her legitimate fiancé.

The triple engagement takes place in the first of the three acts. This is set in Mrs. Macfarlane's garden—a lovesome thing, God wot, with a rose tree and a bridge across a stream and a railway running by from which the trains are periodically derailed by young Angus Macalister so that the passengers may come and buy souvenirs at the cottage. It is from one of these trains that Cheviot and his rival Belvawney descend, to be followed by Belinda, unwillingly engaged to Major McGillicuddy but pursued, not without encouragement, by both the young men. The major happens to be on a train running the other way which is held up by Angus's handiwork, and he storms out to see what is going on. Hence Cheviot's unintended marriage.

The plot, which I do not intend to expound any further, is developed with reasonable logic, given that the characters do not themselves behave very logically. It moves into the Sympersons' London home, and the wildness of the first scenes gives way to more civilised activities, such as the failure of banks.

It is notable that none of the characters ever acts from any motive but self-interest. It is alarming to imagine what Jonathan Miller would have made of such a thoroughly reprehensible bunch. Michael Blakemore, who directs for the National Theatre, is less concerned with castigating the faults of society and is happy to allow them to be as funny as they can. Their weaknesses lead them constantly into situations of farcical embarrassment, though they do not play them with any concession to farcical behaviour. Indeed, what they do they do as if they were the most natural things in the world. The tone is set at the start by Mrs. Macfarlane's praise of her future son-in-law for his industry at poaching, illicit distilling and derailing trains, delivered in the voice that one might use of a successful young stockbroker.

It is this plausible performance of ludicrous action that gives the play its individual quality. It is a quality that is familiar in the operas; but there the people are dealing with fantastic business in which we are hardly expected to believe. *Engaged* was written after Gilbert had completed *Trial by Jury* and *The Sorcerer*, but there is seldom a suggestion in it of anything operatic.

The production is all set in this same mood. The curtain rises on Mrs. Macfarlane's garden, with its roses and wistaria, a train steaming handily across the viaduct beyond. It is a beautiful set that Michael Annals has given us, but it has a tongue-in-cheek beauty. He hasn't succeeded equally at instilling this quality into the Sympersons' drawing-room; it is a handsome room nevertheless, and the ladies wear handsome clothes. Even Belinda, in mourning for her unknown husband, of whom she never even knew the name, is a splendid figure.

The company could hardly be more successful with this style of acting. They treat it like Wilde—the Wilde of *The Importance*, not the flamboyant melodramatist of the earlier plays. Peter Egan as Cheviot looks such an ordinary, decent fellow until his hands reach out for the nearest girl, or he pauses to explain to us how mean he is. His three fiancées are a neatly contrasted trio. Cheryl Campbell is Maggie, duly exchanging servility for flirtation in a moment. Belinda, a lady to her fingertips, is Polly Adams; Minnie, calling her simplicity into aid to justify every wily trick she pulls, is Pauline Collins, a most welcome addition to the National's zenana.

Struan Rodger and Barbara Keogh play the other two Scots; Jonathan Price is Belvawney, a character with hypnotic eyes whom Gilbert does not seem to have fully developed—he also sings ballads at the piano and does conjuring tricks; and Reginald Marsh is Minnie's father, who stands to get an extra £1,000 a year ("it's a fortune!") on his daughter's marriage. I would not want any of them different.

This funny and original play has been neglected too long. I suspect it will now become a rep favourite (one company at least beat the National to it). It should not be missed on any account, though anyone with a train to catch may leave before the musical "coda" and not miss anything except a slight fogging of the conclusion.

Albert Hall/Radio 3

Arnold Cooke

by MAX LOPPERT

The first of this year's three Prom commissions is the Cello Concerto of Arnold Cooke, played on Wednesday, between Dvorak and Beethoven, by Thomas Igloi and the BBC Symphony Orchestra under Sir Charles Groves. Like Mr. Cooke's Symphony No. 4 in E flat, another BBC orchestra première earlier this year, it gives evidence of a composer to whom present fashions in music are of little account; whose own composing style, idiom and craftsmanship hold true to ideas received from models of an earlier part of this century; and whose adherence to traditional forms and structures is as unswerving as the manner of doing so is mild and undemonstrative.

Potentially, there is something admirable about such a composer, true to himself, sure of purpose and goal; in practice, the principal source of interest lay on Wednesday in a kind of amazement (if so forceful a word is here apposite) at the lack of striking character in the music: of memorable, stirring incident or noteworthy statement, even of any show of special technical expertise. Far more than in the case of the E flat Symphony, the new concerto—it sounds to be very much in the key of G, though I haven't seen a score—rolls on in its gentle, featureless, three-movement way, never raising its voice, never grating against any particular susceptibilities, and, fatally, making almost no impression.

In the three movements, it is already hard to recall distinguishing features—except, possibly, the falling cello sequence in the slow movement punctuated by wind chords, or the touch of celesta colour in the finale. Is this *really* all Mr. Cooke has to say? Or were points of subtlety and understatement traduced by the big hall, and by a sweet-toned but rather too reticent soloist? Frankly, I confess to utter puzzlement.

Unicorn musical to transfer to the Round House

Venus and Superkid, Richard Crane's rock musical, will open at the Round House on August 21, following its successful premiere in June at the Unicorn Theatre for Young People. This is the first Unicorn Production to transfer to another theatre for adults as well as children.

Venus and Superkid is based on the Cupid and Psyche myth, with the classical heroes transformed into comic-strip superstars, and was written specially for Unicorn by Richard Crane.

For the production at the Round House the score, written and performed by Milton Reame-James, an original member of the Cockney Rebel pop group, will include three new songs.

The musical will be performed by the original Unicorn Company, Paul Dalton, Timothy Davies, William Relton, Binkie Shoebridge and Tamara Ustinov. The band, who play on stage throughout the show, includes Malcolm Ashmore on drums and Jeff Faulkner on bass guitar.

Marjorie Parr

Scottish paintings and drawings

by WILLIAM PACKER

Mixed exhibitions are always fascinating events: even the local sketch club or park railing bazaar will have a certain charm, enough at least to justify a moment's attention, and any gallery worth the name can hardly do less. But such shows can also be hard work, making demands on the visitor that at first he might resent; for they force him to exercise discrimination and judgment for himself. The rewards are always the pleasure of the unexpected, familiar work seen in a fresh context, the forgotten brought back into the light, the sense of personal discovery. This is the time of year, above all others, when they are thick on the ground.

At Marjorie Parr, in the King's Road, is an exhibition devoted to Scottish artists of the last 200 years, a blanket theme which brings together work of all kinds. It is in general private and modest work rather than declamatory, and the quality is high. The Scotchness of Scotch Art is difficult to establish, existing as it always has in close relationship to English practice, a nephew rather than a cousin, perhaps. Always it has shown an honest academicism, however much that has varied, and retained an admirable curiosity about developments elsewhere. The intensity and particularity of the colour, and its expressive use, seem to be innate characteristics.

Joan Eardley: Boy with red hair (oil)

There are no really great names among those whose work is on show, Charles Rennie Mackintosh's importance lying elsewhere than in his graphic work, but the vitality and flair of the second-rank is manifest. Among the Edwardians and Victorians are many lovely things, solid Scottish Academy portraits, landscapes, and genre scenes. Edward Walton's head of a girl is very fine; and the Glasgow colourists, Peploe, MacTaggart, Fergusson, are well represented. Jessie King and Mackintosh stand for art nouveau; and the list goes on.

Contemporary, or near-contemporary painting is also fairly shown. There are notable absentees, of course, but the exhibition lays no claim to exhaustivity, and we cannot have everything. But we must remember that there is much interesting experimental work being done that never comes south. Nevertheless, predictable or not, there are good things included in this particular batch.

The two studies of heads by Joan Eardley are notable. She was a distinguished romantic expressionist, who died too young at a time when figurative painting was in eclipse. Had she lived she would be not only celebrated but important. There are good examples of Anne Redpath's work, and, of living artists, interesting things from Alan Davie, Elizabeth Blackadder, Phillipson, Houston, Michie and Hamilton Fraser.

Of the younger and less well-known artists, Eddie Strachan looks interesting, with his decorative and rather mysterious gouaches; and James Campbell's ceramic sculptures, tiny landscapes, mounds or tombs, are very good indeed.

Mrs. Parr has assembled rather more work than can be hung comfortably, so the appearance of the show is likely to change in detail before the close at the end of August.

Baryshnikov debut at Covent Garden

Mikhail Baryshnikov makes his debut with The Royal Ballet at Covent Garden on October 22 in Kenneth MacMillan's *Romeo and Juliet*. Merle Park dances Juliet and Anthony Dowell makes his London debut as Mercutio. Baryshnikov makes two further appearances as Romeo with Merle Park as Juliet on October 23 and November 4, and will be seen as Prince Siegfried to Miss Park's Odette/Odile in *Swan Lake* on October 27, 30 and November 3.

Other guest artists during this period include Natalia Makarova and Lynn Seymour. With Anthony Dowell, Miss Makarova will be seen in the title roles in *Romeo and Juliet*, *Swan Lake* and *Manon*.

Miss Seymour is partnered by David Wall in *Romeo and Juliet* and on October 21 re-creates the role of The Girl in *The Two Pigeons* which is revived on that date.

WORLD TRADE NEWS

Brazilian ore development costs double to $2.7bn.

BY DAVID WHITE

RIO DE JANEIRO, August 7.

PROBLEMS OF of organisation and transport have delayed development of the Serrá dos Carajas iron ore deposits in Brazilian Amazonia, believed to be the world's largest reserves.

Exports of ore, part of which will be sent to Britain, are expected to start up in 1980, at least a year later than originally foreseen, according to the directors of the development company Amazinia Mineracao (Amsa).

As a partner in the scheme, the British Steel Corporation is expected to take up to 5m. tons of ore a year under an agreement still being worked out with the principal shareholders, Brazil's state-controlled Companhia Vale do Rio Doce (CVRD) and U.S. Steel.

The projected cost of the scheme has almost doubled in the last year and now stands at $2.7bn. Thirty per cent. is to come from AMSA equity, in which the Brazilians will hold a 51 per cent. majority. U.S. Steel is expected to reduce its 49 per cent. share to 29 per cent., with a Japanese consortium headed by Nippon Steel taking 10 per cent. and BSC and the Spanish steelmaker Altos Hornos de Vizcaya 5 per cent. each. That would mean an investment of about £20m. by BSC.

Final agreement on the terms of the project is expected within four to six months.

The ore mountain, first discovered in 1967 by a Brazilian subsidiary of U.S. Steel, Companhia Meridional de Mineracao, contains estimated reserves of 18bn. tons of high-grade ore, with an average content of 66.78 per cent., this is larger than Brazil's other enormous deposit in Minas Gerais, and twice as big as Australia's Hammersley reserves.

From early 1980, Carajas is expected to yield 12m. tons of ore a year for export, rising to 50m. tons after five years. The mine will also supply a steel complex being planned at Itaqui, on the northeast coast, by Siderbras—the holding company for the Brazilian Government's steel interests — and Nippon Steel Production at Itaqui is expected to reach 12m. tons a year.

The mining project has been subject to a number of complications, although AMSA directors said the main divergencies between the U.S. and Brazilian partners had been ironed out. They mainly involved the structure of the company, now settled with CVRD, which is responsible for the technical and administrative sides of the project.

The British, Japanese and Spanish partners will be given preference shares in AMSA, that is without voting rights.

U.S. Steel is also understood to have scaled down its plans to import ore from Carajas to about 9m. tons a year. It was originally reported to be seeking half the ore, or 25m. tons, but AMSA denied that was part of any agreement.

The other factor in the delay has been a dispute over transport schemes, involving the conflicting interests of the states of Pará (where the ore is) and Maranhao (site of the deepwater terminal) and therefore where the Brazilian-Japanese steel complex is to be situated.

The mine is to be linked by a 560-mile-long railway with the Maranhao capital Sao Luis, work on which will start next year with completion provisionally scheduled for 1978.

Alternatives using the as yet unnavigable River Tocantins were ruled out, as was a port nearer to the Amazon estuary. The Sao Luis terminal is planned to accommodate ships of up to 200,000 tons.

AMSA has started discussions aimed at supply agreements with other steel companies in Japan and Europe, and at securing loans for the bulk of the $2.7bn. investment. Brazil's National Economic Development Bank is understood to be putting up an initial $60m.-$70m. for the project.

Fast rise in U.K. exports to E. Europe

By David Lascelles, East European Correspondent

EASTERN EUROPE is now one of the fastest expanding markets for British exports, following the strong surge of the first half of 1975, the Moscow Narodny Bank reports in its latest Bulletin.

In sterling terms, U.K. exports to Comecon were 33.9 per cent. higher than the same period last year, although total U.K. exports grew by only 21.7 per cent.

Britain's recession caused a drop in imports from Eastern Europe, but that brought a surplus of £40m. on its Comecon trade in the first six months of 1975 compared with a deficit of £105m. in the same period last year.

The Bulletin points to one of the most encouraging signs—the virtual doubling of U.K. sales to the Soviet Union, which reached £90.3m. in half year. Best results were obtained in sales of plastics, chemicals, manufactured goods, and textile and other machinery.

The increase toppled Poland from its position as Britain's largest customer in Eastern Europe. Even so, sales to Poland showed a strong increase, as did those to Yugoslavia and Cuba.

At the other end of the scale, sales to Czechoslovakia, East Germany and Hungary must be considered disappointing, the Bank says. Trade with those countries rose only minimally this year, and business in some categories was static.

The bank describes prospects as depending largely on Britain's price competitiveness, quality and promptness of delivery, although it also labels as disappointing Britain's failure to import more from Comecon. That was likely to continue in the second half of 1975, the Bank says, but it expects purchases to rise again in 1976.

EEC exports to Middle East oil producers jump 85% to $2bn.

BY REGINALD DALE, COMMON MARKET CORRESPONDENT

BRUSSELS, August 7.

THE VALUE of EEC imports from Middle East oil producing countries rose by 164 per cent. to 25.6bn. units of account (£10.66bn.) last year, according to figures published by the Community's statistical office. Imports from Algeria, Libya and Nigeria went up by 128 per cent. to 10bn. units (£4.17bn.).

In the other direction, the vast influx of oil revenues led the Middle East countries to increase their imports from the Community by 85 per cent. above 1973 to a total of 4.8bn. units (£2bn.) last year. The three main African oil producers increased their purchases from the Community by 61 per cent. to 4.6bn. units (£1.9bn.).

The growth of EEC exports to oil-producing countries far outstripped the average increase in Community exports to all third countries (37.4 per cent.). The increased value of trade with the oil states also had the effect of reducing the share of intra-Community trade in the Nine's total imports and exports.

Imports by the Nine from other Community member countries fell from 52 per cent. of the EEC total trade in 1973 to only 47 per cent. last year. The share of intra-Community exports fell from 53 per cent. to 51 per cent.

The figures confirm statistics recently published in London showing that the U.K. is much less integrated into the Community than the other eight countries from the trade point of view. Britain shipped only 33 per cent. of its exports to other Community countries in 1974, compared with 75 per cent. for Ireland, 71 per cent. for the Netherlands, 70 per cent. for Belgium/Luxembourg, 53 per cent. for France and 45 per cent. for Germany and Italy.

The EEC accounted for only 30 per cent. of total British imports, compared with 68 per cent. for Ireland, 66 per cent. for Belgium/Luxembourg, and 57 per cent. for the Netherlands. France and Germany both bought 48 per cent. of their total imports from other EEC countries, Denmark 46 per cent. and Italy 42 per cent.

Germany and the Netherlands were the only countries whose exports rose faster than imports. Italy's total imports increased at the fastest rate (47 per cent.), while France had the biggest gap between the growth of imports (43 per cent.) and exports (29 per cent.). Community imports from third countries rose by 51 per cent.

Imports from the Soviet Union increased by 53 per cent. in value, largely because of Soviet sales of crude oil to France, Germany, and Italy. The Community's imports from Eastern Europe only went up on average by 33 per cent.

Goods imported from the developing countries associated with the Community under the Rome convention rose by 67 per cent., but Community exports to those countries by only 31 per cent. That compared with an increase of 87 per cent. in imports from all developing countries, a figure that was again inflated by the sharp increase in oil prices.

Nigeria alone accounted for 50 per cent. of total shipments to the Community by the Nine convention countries, and bought 20 per cent. of all the Community's exports to the associates.

Ford S.A. plea on 'local content'

BY JOHN STEWART

CAPE TOWN, August 7.

FORD SOUTH AFRICA has announced an investment of R2.8m. (£1.7m.) on a new crankshaft line which will increase the local content of its passenger cars about 1.5 per cent.

Mr. Neville Cohen, managing director, was mildly critical of the South African Government's local content programme, which requires all motor assemblers to achieve a minimum of 66 per cent. during the current year.

The next increment, to 75 per cent., is expected in two years' time but its feasibility is currently being investigated by the board of trade.

Mr. Cohen said that if the local content requirement was increased above 66 per cent. at the due date, assembly plants would have to continue to make vast initial outlays in order to achieve relatively small advances in local content.

"We believe there should be no advance from the present 66 per cent. until the present new car market of 220,000 more than doubles to 500,000 vehicles a year. Without this rise in sales the vast capital spending required will not be justified," he declared.

Contracts Abroad

DEMAG AG heads a group of Japanese and European companies which has reached basic agreement with Algeria's Societe Nationale de Siderurgie to supply steel rolling mills and related equipment (capacity not revealed) worth Yen 50bn. (£78m.). The Japanese companies are Hitachi, Hitachi Shipbuilding and Engineering and C. Itoh, who will export a hot rolled and a cold rolled mill worth Yen 23bn. (£36m.). European companies will supply zinc and tin plating units and electrical facilities worth Yen 27bn. (£42m.). SNS will pay 15 per cent. of the total as a down payment and 5 per cent. on delivery, with the 80 per cent. balance spread over eight to ten years. SNS wants the Demag group to buy Algerian oil equivalent to the down payment.

Export Contracts

MASSON SCOTT THRISSELL has sold its first corrugator to Poland in a £500,000 deal which includes personnel to supervise and commission the equipment.

APV-PARAMOUNT, Crawley, will provide reformer tube assemblies worth £500,000 for an ammonia plant at Shiraz, Iran.

HALIFAX TOOL is exporting rock drilling machines and equipment worth £750,000 to the Middle East.

T. GIUSTI AND SON, London, will supply processing plant worth £100,000 to Beecham Pharmaceuticals, Singapore.

INTERNATIONAL GOLF HOLDINGS, Dunbar, has a Japanese store chain order for 600 sets of Peter Townsend clubs and a "positive inquiry" for 2,000 sets of general equipment.

PLESSEY NAVAIDS will provide an instrument approach costing £200,000 for Plaisance Airport, Mauritius.

Co-ordinating construction export orders

Financial Times Reporter

THE GOVERNMENT is to set up a Construction Exports Advisory Board, whose main task will be to provide a focus for British construction exports and help the industry to take advantage of export opportunities, particularly to OPEC countries.

Mr. Reg. Freeson, Minister of Housing and Construction, told the Commons yesterday that the Board's immediate task would be to advise the Government on the selection of companies or groups of companies which could procure construction contracts overseas.

Membership of the Board has yet to be announced, but it will be jointly sponsored by the Department of Trade and Mr. Freeson's Ministry. It is thought in Whitehall that the increasing opportunities for business overseas, especially in the Middle East, have revealed the need for a change in arrangements for getting orders.

Terms of reference are: (1) The selection of single companies or groups of companies to pursue particular construction projects overseas; and (2) find way of harnessing additional resources in the construction industry and professions to meet export opportunities.

Japan-Ajman offshore oil service group

TOKYO, August 7.

A GROUP of six Japanese companies has established Arab Heavy Industries Ajman in Ajman, jointly with the Ajman government of the United Arab Emirates, according to Mitsui Ocean Development and Engineering.

MODEC said the new company was scheduled to build a 200-metre slipway, two tower cranes and a machinery factory to undertake from the autumn of next year the repair of rigs, supply boats, dredgers, tugboats and other oil drilling equipment now in operation in the Gulf.

Capital is Y1.8bn. (£2.8m.), with the Japanese companies and the Ajman government each holding 25 per cent. The remaining 50 per cent. is to be offered for public subscription in the United Arab Emirates.

MODEC said the venture would also construct ships, bridges, oil storage tanks and marine development equipment in the future. The other five Japanese concerns are: Mitsui Shipbuilding and Engineering, Mitsui and Co., Abu Dhabi Company, Nippon Steel, and Niigata Engineering.
Reuter

Israel-S. Africa trade growth

By L. Daniel

TEL AVIV, August 7.

ECONOMIC RELATIONS between Israel and South Africa have improved considerably this year, and commercial exchanges are growing more rapidly than Israel's overall trade.

In the first half year Israel exports to South Africa were running at an annual rate of $36m., compared with $28m. for the whole year 1974. Israeli imports from South Africa in calendar 1974 were $48m.

The number of joint ventures and "know-how" agreements has increased significantly, and have been made easier by the South African decision to permit financial participation by its citizens in projects in Israel approved by the Israeli Investment Authority.

Such approval entitles the enterprise to tax benefits and grants or loans.

AMERICAN NEWS

U.S. wholesale prices rise by 1.2 per cent in July

BY ADRIAN DICKS

WASHINGTON, August 7.

WHOLESALE prices in the U.S., after showing little change in May and June, leapt up by 1.2 per cent. during July, largely as a result of steep increases in the prices of farm products and processed food and animal feedstuffs.

The official figures, showing a 6.6 per cent. jump in the farm products index, follow the 0.8 per cent. rise in retail prices during June and lend urgency to the warnings of a dangerous new flaring of inflation which are being sounded by Dr. Arthur Burns of the Federal Reserve and other senior Government economists.

In political terms, the July wholesale price figures, which are worse than many observers had anticipated, are certain to add to the already considerable pressure on the Ford administration to monitor, if not actually to limit, further Soviet purchases of grains.

In spite of the administration's confidence that this year's maize and other feedgrain crops will reach record levels, recent dry weather in parts of the corn belt, coupled with persistent reports of worsening drought in the Soviet Union's farm regions, has fuelled further futures price rises. Democratic Congressmen have been quick to draw the parallels with the severe food price inflation caused by the massive 1972 Soviet purchases.

The Administration has already been obliged to tell major grain exporters not to conclude any further sales until after next Monday's crop report, which it hopes will be optimistic enough to dispel fears of any shortage this year.

The July figures showed a 7.9 per cent. rise in grain prices, a 4.4 per cent. increase in livestock and a 15 per cent. jump in live poultry. Processed meats, poultry and fish increased by 5.1 per cent.

Although the Administration has attempted to play down the impact on retail food prices of dearer grains, it is likely to be faced with rank disbelief if it seeks to explain away altogether such sharp increases at a time of year when food prices traditionally tend to decline.

In the non-food sector of the index, meanwhile, the July figures showed a 0.4 per cent. increase in prices of industrial commodities. This was the same as the increase during the previous month, but appears to a gradual acceleration since the 0.1 per cent. increases registered in March and April and the 0.2 per cent. rise in May.

In this connection, the Administration is clearly now concerned at the danger of a general round of price rises as soon as the recovery begins to gather momentum.

'Recession has finally bottomed'

NEW YORK, August 7.

THE NEW York Federal Reserve Bank has said that second quarter Gross National Product data indicate that the longest and steepest post-war recession has finally bottomed.

The New York Fed, in its monthly review, said that while inventory liquidation may continue for some time, it seems clear that businessmen have succeeded in bringing stocks into better alignment with sales.

Final demand rose in real terms during the second quarter for the first time since mid-1973, while lower taxes and increased transfer payments have spurred consumer spending and allowed the rebuilding of liquidity, the Bank said.
Reuter

Olympic architect's $18m. fees

By Robert Gibbens

MONTREAL, August 7.

BERNARD LAMARRE, senior partner in the Montreal engineering firm which is project manager at the Montreal Olympics site, has confirmed to the City Council that fees accruing to French architect Roger Taillebert of Paris for design work on the main stadium and other games facilities will be at least $18m.

He based this on architectural costs representing 4.5 per cent. of the total cost of the facilities. Mr. Lamarre, of Valois and Associates, revealed the figures in a debate on plans by the city to borrow $116m. more to cover Olympics construction costs. This would bring the total authorised spending to $612m.

He said that nearly all the architectural costs represented work done by private architects, mainly M. Taillebert's company.

NY 'spending ceiling' deal

BY JAY PALMER

NEW YORK, August 7

WITH LESS than 10 days to go before New York City is due to run out of cash, Mayor Abraham Beame appears to have capitulated to most of the Municipal Assistance Corporation's demands for immediate and wide-ranging reforms of the city's fiscal affairs.

In a brief statement very late last night, the Mayor said that he would impose "stringent ceilings" on city expenditures for the next three years and would immediately form a special new Board to review and suggest changes to city management.

While these moves, together with the Mayor's earlier agreement with municipal unions for a 12 month wage freeze, represent a big step forward in the city's struggle to avert bankruptcy, considerable doubt still exists over whether or not there is still time to raise the necessary cash to meet obligations.

Even as the city works desperately to fill its immediate cash needs, current projections suggest that an additional $800m. will be required to fund September requirements.

Combined 'helicopter-airship' plan

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE GOODYEAR Aerospace Corporation and Piasecki Aircraft Corporation, both of the U.S., are jointly working on a design (under a NASA contract) for a combined "helicopter-airship" that would be able to carry payloads of up to 80 tons over distances of more than 200 miles.

Mr. Robert Madden, manager of Goodyear's airship programme, told an aerospace conference in Vancouver that "the trouble with a helicopter is that two-thirds of the lifting effort is spent in getting the machine itself into the air, so that only one-third is left for payload. With our concept, the machine would be supported aloft by helium, and the total lift from the helicopter rotors would be available for payload."

Venezuelan oil takeover 'deal near'

By Joseph Mann

CARACAS, August 7.

FORMER VENEZUELAN President Romulo Betancourt told the Venezuelan Senate to-night that an agreement "has almost been reached" between the Government and foreign oil companies on the amount of compensation the state will pay when it assumes control of the petroleum industry sometime this year.

Sr. Bentacourt, one of the country's most important Democratic leaders during the last 50 years, made a rare public appearance to-night during the Venezuelan Senate's debate on a Bill which would nationalise the billion-dollar foreign oil industry operating here.

Argentine unions' plea

BUENOS AIRES, August 7.

ARGENTINE'S powerful labour movement, victorious over President Isabel Peron in a wage fight last month, asked the Economy Minister to-day to declare a state of emergency across the nation.

Sr. Casildo Herreras, Secretary General of the 2.5m.-member General Confederation of Labour, asked for a 90-day state of emergency during which no worker would be laid off or dismissed from his job.
UPI

Chilean inflation

SANTIAGO, August 7.

THE COST of living in Chile rose last month by 9.3 per cent., the lowest monthly increase this year — but it brought the country's rate of inflation in the first seven months of the year to 185 per cent. The July rise was well down on June's 19.8 per cent.
Reuter

San Salvador raid

SAN SALVADOR, August 7.

LEFTWING guerillas to-day took over El Salvador's main radio station at gunpoint to broadcast a brief statement. The guerillas said that they were members of the so-called People's Revolutionary Army, one of about five small guerilla groups which have claimed responsibility for a series of bombings of Government offices in the central American republic over the past year.
Reuter

THE BROTHERHOOD OF TEAMSTERS

In search of Mr. Hoffa

BY CANDACE CUNIBERTI IN NEW YORK

MANY trade unions in the U.S. have a long history of bitter strife, but few enjoy the reputation for violence and corruption which the 2.2m.-member International Brotherhood of Teamsters has earned over the years. Now the union once again faces the unwelcome glare of adverse publicity, as the Federal Bureau of Investigation steps up its search for its former president, James R. Hoffa, who has been missing since a week ago Thursday.

Not since the December, 1969, slayings of the United Mine Workers insurgent Joseph A. Yablonski, his wife and his daughter, and the subsequent trial of their murderers, have the internal affairs of a union attracted such attention.

The search for Mr. Hoffa has been making slow headway. His family have offered a $200,000 reward for information leading to his whereabouts or safe return, but there are few clues and some people fear that 62-year-old Jimmy Hoffa has been murdered.

While incidents of strong-arm tactics and brutality have long been a hallmark of Teamster politics, the most popular theories in this case attribute Mr. Hoffa's abduction to anxious Mafiosi. The Mafia was reportedly fearful that the one-time leader of the Teamsters, in his bid to regain the union presidency, would expose illegal loans made by the wealthy Teamster pension funds to underworld figures and Mafia cover organisations.

In a union which has long had underworld ties, however, it is often difficult to separate the aims of one from the ambitions of the other. There have been for the past several years bombings, beatings and other acts of terrorism at one of the union's regional membership offices — Local (union branch) 299 in Detroit. The most recent bombing involved Mr. Richard Fitzsimmons, son of the current Teamster president, Mr. Frank Fitzsimmons, but most of the other incidents were directed at Hoffa supporters.

Mr. Hoffa attributed the acts to a third and unnamed party, but animosity between the Hoffa and Fitzsimmons factions in the Local had been running high.

No. 299 was the Local from which Jimmy Hoffa made his start in union politics, and it was there that he hoped to launch his new effort to recover the union presidency—an office denied him until 1980 by the terms of his pardon by the then President, Mr. Nixon, and subsequent parole from prison. Mr. Hoffa was sent to prison for 13 years in 1967 for jury tampering, fraud and conspiracy. Mr. Hoffa had been contesting these parole restrictions in the courts, but even before verdicts were handed down (and some observers felt he had a good chance of winning his case) he had begun to reassert his power and influence.

Mr. Hoffa felt that Mr. Nixon and Mr. Frank Fitzsimmons had struck a deal: Teamster election support in exchange for keeping Mr. Hoffa out of union politics. As long as Mr. Nixon was President, the terms of Mr. Hoffa's commutation were enforced. After Mr. Nixon resigned, the Government's tone changed. President Ford has been less outspoken about the parole restrictions, perhaps because of Mr. Hoffa's continuing popularity with the union's rank and file. Sources in the Hoffa camp suggested that Mr. Fitzsimmons had become worried about his position.

Shortly after the apparent abduction, Mr. Hoffa's son, James P. Hoffa, absolved Mr. Fitzsimmons from responsibility in his father's disappearance. Mr. Fitzsimmons was once a trusted Hoffa deputy. He was the man hand-picked to keep the office of the union presidency running smoothly while Mr. Hoffa completed his prison term—the title of president remained Mr. Hoffa's until June, 1971, six months before the Nixon parole.

Flashback to 1957: James Hoffa (right) talks to the late Senator Robert Kennedy, then chairman of the Senate rackets committee before which Hoffa was ta testify in his capacity as Mid-West head of the Teamsters Union.

Once in office, however, Mr. Fitzsimmons became reluctant to leave. Whatever earnings and perquisites Mr. Fitzsimmons may have at stake as president, they are trivial when compared with the money involved in the pension funds. The largest and most controversial of these is the Central States, South-east and South-west Areas Pension Fund operated from Chicago. As of January 31 this year the fund had declared assets of $1.34m. and an annual income of about $400m. There are about 200 pension funds connected with the Teamsters, into which members put $22 a week from their earnings, at current rates.

The Central States Fund has been the subject of numerous allegations of misappropriations of funds from both disgruntled Teamsters and law enforcement agencies but few convictions. A recent case was lost when the star witness for the Justice Department was brutually murdered by a gang of masked assassins when he arrived at his office. The killing still has not been solved. The men who allegedly illegally manipulated the fund by more than $6m. over a 15-year period were acquitted earlier this year.

Legal technicalities prevented the jury from learning the affiliations to organised crime of some of the defendants, since it was ruled in some instances that the information would prejudice the jury. The cast of characters included Mr. Anthony (Tough Tony) Spilotio, Mr. Joseph (The Clown) Lombardo, and Mr. Alan Dorfman, who had been in prison for eight months after being convicted of accepting a $55,000 bribe in connection with awarding Central States Funds for a loan.

The Teamsters are understandably secretive about the fund's dealings. Only through an abortive legal attempt to overthrow union leadership did a copy of a 1972 loan ledger for Central States make its way into a few discreet hands. The ledger served as the backbone for several exposés, including one by the Wall Street Journal. Among the statistics called from the ledger were these: as of February 29, 1972, 89 per cent. or $819m. of a $917.9m. loan portfolio were either invested in, or committed to, real estate loans (5 per cent is the usual average for this type of fund); numerous second and third mortgages, numerous loans for $1m. or less, some to members of Mafia organisation, their friends of Mafia cover organisations. Few of the loans were for prime real estate.

In May this year Mr. Hoffa was called before a Federal grand jury to answer questions about the improper use of union funds. Mr. Hoffa reportedly took refuge in the Fifth Amendment privilege safeguarding a witness from self-incrimination. Nevertheless, the action may have made union and Mafia officials nervous.

The people who ultimately suffer are the Teamsters themselves. The union rules governing retirement benefits are complex. The union keeps no work histories for its members, so the burden of proof lies with the member. He must show that he has worked 20 years under union contract in order to retire with full benefits. Many Teamsters do not find this out until after they retire. Trucking is a volatile business, and most companies have either merged or gone out of business over a 20 year period.

Even records from the Social Security Administration do not necessarily help, because they often do not prove that the employer made the proper payment to the union fund. Other technicalities weed out additional members. In the last fiscal year, ending January 31, the UBT paid out $175.2m. in benefits. Critics feel it should have been more.

Crime has been a problem for the Teamsters for years. The president of the AFL-CIO, Mr. George Meany, expelled the union from the labour federation long ago because of its chronic affiliation with gangsters and racketeers. Mr. Robert Kennedy, when Attorney General, took on getting a Hoffa conviction, some say as a personal vendetta, because Mr. Hoffa was such a notorious "scofflaw."

On the afternoon of his disappearance Jimmy Hoffa was supposed to meet three men for lunch: Mr. Anthony (Tony Jack) Giacalone, who in Senate Committee hearings was described as a leader of the Detroit Mafia, Mr. Anthony (Tony Pro) Provenzano, an ex-convict and former leader of the New Jersey Teamsters, and Mr. Leonard Schultz, a Detroit labour consultant. All three have denied the meeting. Mr. Provenzano was reported to have threatened Mr. Hoffa's life. The two men had been on bad terms since Mr. Provenzano asked Mr. Hoffa to amend union rules and give him a pension and Mr. Hoffa refused.

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SOUTHERN AFRICA

Secret talks in Zambia

LUSAKA, August 7.

A TOP South African Government official visited Lusaka late last month for secret discussions with the Zambian Government on the Rhodesian issue, informed sources said to-day.

South African Secretary of Foreign Affairs Brand Fourie—the career head of the foreign ministry—made the trip here on July 21.

The precise nature of the talks was not known, but apparently represented a new effort to end the stalemate between Rhodesian Premier Ian Smith's White minority Government and representatives of Rhodesia's Black majority.

The sources said the discussion centred on how further progress could be made towards getting the opposing parties in Rhodesia together to discuss a constitutional settlement.

Top Zambian Government officials declined comment on the report of the secret meeting.

Bishop Abel Muzorewa, President of the Rhodesian African National Council (ANC), is currently in London to meet British Foreign Secretary James Callaghan and discuss prospects for convening a constitutional conference.

Government officials in London said Britain wanted to play a constructive role in getting constitutional negotiations started. It is now nearly 10 years since the Smith administration in Salisbury unilaterally declared independence from Britain.

One stumbling block in the constitutional deadlock has been the site. Mr. Smith's government has insisted that preliminary talks take place inside Rhodesia, while the black nationalists have demanded a venue outside the country. Another has been that the ANC itself is deeply divided on several key issues.

Reuter

FNLA pulls out of Angola's transitional government

LUANDA, August 7.

THE National Front for the Liberation of Angola Thursday pulled out of the three-party transitional government until the return of Portugal's High Commissioner who has acted as a buffer between the warring factions.

A national front spokesman said it would attend no Cabinet meetings of the joint government until Gen. Silva Cardoso returned to Luanda from Lisbon.

He was recalled to Portugal last week for health reasons, government officials said, but army sources said he was going to be replaced by a man better disposed towards the Popular Movement for the Liberation of Angola, the front's long-standing tribal and political rival.

The third member of the government, the National Union for the Total Liberation of Angola, has also demanded Cardoso's return but did not withdraw from the government.

Government sources said Cardoso, widely respected for his neutrality in the explosive Angolan situation, was expected to come back by next week.

The front has surrounded the seaside capital with a widespread military net, taking strategic towns on all sides of the city in more than a week of fighting and vowed to drive the Popular Movement out of Luanda.

A Portuguese military spokesman said there were no fresh reports of fighting between the two sides.

Meanwhile fuel shortages have forced the Portuguese airline TAP to cancel three flights between Luanda and Lisbon threatening the programme to evacuate up to 300,000 Portuguese before Angola achieves independence on November 1.

Senhor Carlos Reis, TAP's general manager for Africa, said the three flights—two yesterday and one on Tuesday—involved 1,000 passengers.

At present TAP is flying about 1,200 people a day to Lisbon and is due to double that figure within the next few days.

One large storage tank containing jet fuel was destroyed by a mortar bomb.

Agencies.

Prince Fahd denies French deals

BY IHSAN HIJAZI

BEIRUT, August 7.

CROWN Prince Fahd of Saudi Arabia has denied that he signed new deals with France during his visit to Paris last month, and announced that the proposed co-operation will be discussed when a French delegation will visit Riyadh in October.

It will be headed by M. Jacques Sauvagnargues, French Foreign Minister, he said.

In an interview published to-day in the Lebanese weekly magazine Al Hawadess the Crown Prince was quoted as saying that reports in the Press about alleged agreement he had concluded in Paris "were inconsistent with the truth."

Asked about the one that Saudi Arabia is to give France a seven-year loan of between 6 and 8bn. francs, the Prince was quoted as saying: "Nothing final has been decided pending meetings between officials of the two countries in Riyadh."

He also denied that an accord had been reached for France to set up a factory in Saudi Arabia to manufacture aircraft, and said the question of supply of nuclear energy by France to his country was still under consideration.

Prince Fahd, who is also the First Deputy Premier and the power behind the Saudi throne, was, however, quick in emphasising that his country was genuinely interested in co-operation with France in various projects "that could be absorbed by Saudi Arabia." He pointed out that any arms deals Saudi Arabia may conclude with France or any other foreign state in future would not in any way affect those the Saudi Government had concluded with the U.S. He praised U.S.-Saudi economic co-operation with America and said that this relationship is "of permanent nature."

The Prince rejected charges about "kick-backs" allegedly paid to Saudi businessmen or officials on deals concluded with U.S. companies. He said the Saudi Government would not tolerate payment of bribes on Saudi deals.

Oil found in the Sudan

BY RICHARD JOHNS, MIDDLE EAST EDITOR

OIL HAS BEEN found in central Sudan and along the coastal Red Sea area in commercial quantities, President Nimairi claimed in an interview published yesterday by the Beirut weekly Al Hawadess.

Without specifying which prospecting companies had been successful, President Nimairi said that "all we need to do now is to dig oil wells" in a 150,000 square mile area in the centre of the country and a 60,000 square mile area along the Red Sea coast.

He added, however, that for the time being the Sudan should concentrate on developing its agricultural potential. Somewhat confusingly, President Nimairi told Al Hawadess: "We don't want to rely exclusively on oil. Our plans are to import crude oil, process it and use the products for local needs and for exports to neighbouring countries." He said that studies were progressing on the second refinery being planned for the country as a 50-50 joint venture between Saudi Arabia and Sudan.

Reuter reports from Abu Dhabi: Phillips Petroleum is stopping its oil explorations in its exploration concession in the State after failing to find oil in almost nine years of search, company sources said to-day. Phillips, who have been doing the operational work for a joint project with Agip of Italy, had been looking for oil in four areas which were given up earlier by the Abu Dhabi Petroleum Company, the biggest oil-producing company in Abu Dhabi.

Another round to Gandhi

BY OUR ASIA CORRESPONDENT

The Lok Sabha, India's lower house of Parliament, yesterday passed another constitutional amendment further protecting Mrs. Indira Gandhi, the Prime Minister, from challenge in the country's courts.

Under the amendment, which has yet to be passed by the Upper House and ratified by the Indian states, disputed elections of the leading Indian figures—President, Vice-President, Prime Minister and Speaker—will be decided by a special body yet to be set up but not by the courts.

Like the other legislation passed this week, this move is to be passed retroactively, so that the present electoral challenge accusing Mrs. Gandhi of corrupt election practices will be rendered null and void.

As part of the same Bill the Lok Sabha also declared that the 38 laws already enacted including electoral law reform, land refor. electoral law reform, land reform, economic measures, and arrests under the Maintenance of Internal Security, cannot be challenged in the Indian courts. The Law Minister, Mr. Gokhale, defended this ruling on the grounds that it has been done in the past whenever progressive legislation was imperilled by litigation.

Malaysia angry at Tokyo 'dragging feet'

By Wong Sulong

KUALA LUMPUR, August 7.

MALAYSIAN officials have expressed displeasure over what they consider to be the Japanese authorities' delaying tactics in negotiations for the departure of ten Red Army terrorists, who finally flew out of Kuala Lumpur international airport to-night after considerable delay.

At a news conference after the departure of the Japan Airlines DC-8 aircraft, the Malaysian Home Affairs Minister, Tan Sri Ghazali, who negotiated the release of the hostages, made it clear that the delay was due to problems raised by the Japanese Authorities and JAL.

Tan Sri Ghazali said he had earlier obtained permission for the plane to land in Libya, but the Foreign Ministry in Tokyo later insisted on an official confirmation from the Libyan authorities, despite the fact that the Japanese ambassador to Malaysia was beside Tan Sri Ghazali when Libyan permission was being sought, and given.

The Japanese authorities and JAL were also dragging their feet in charting out the flight plan, and seeking permission from various countries for the plane to fly over their air-space and refuel he claimed.

The attack on the American consular office, and the holding of more than 50 people hostage by the Japanese terrorists have strained Malaysian-Japanese relations, and the incident is being regarded by many Malaysians as the most "unfriendly" act since the Japanese atrocities during the last World War.

On the other hand, the successful negotiations for the release of the hostages has given a big boost to Tan Sri Ghazali, whose image locally had fallen considerably, and who has recently come under criticism for the spate of Communist activities in the country in recent months.

POLITICS IN CHINA

Old faces in the party picture

BY COLINA MacDOUGALL

IN A POLITICAL atmosphere which must be overshadowed by the growing infirmity of Chairman Mao Tse-tung and continued ill-health of Premier Chou En-lai, former officials who were disgraced in the Cultural Revolution are continuing to re-emerge into public life. The latest is the former Chief of the General Staff, Lo Jui-ching, who appeared in the "also present" list of attendances at the Army Day reception in Peking last week. He was officially on view for the first time since November 1965, having survived unpleasant experiences at the hands of the Red Guards in 1966 and 1967.

Significantly perhaps neither Chiang Ching (Mme. Mao), Yao Wen-yuan nor Wang Hung-wen, all identified in some way with Cultural Revolution-type policies, were present, as they had been last year, though Wang attended a similar function in his native Shanghai. Nor was Premier Chou, though in his case illness was almost certainly the reason.

Li Teh-sheng, once the rising star of China's military because of his Cultural Revolution involvement, but since January 1974 posted away from Peking to the regional command of Shenyang, appeared only in his own fief.

The reappearance of Lo, who must have incurred the wrath of Chairman Mao and his then protégé, Lin Piao, emphasises the continuing re-emergence of administrators and soldiers who took part in the relatively cohesive leadership of the 1950s. It also underlines the continuing decline of the Cultural Revolution protagonists and the Lin henchmen among the military. In the provinces, former administrators are still reappearing to take up senior jobs, and in several previously troubled areas conditions have been sufficiently settled for senior new appointments to be made.

Leadership

It is possible that the new leadership that came up through the Cultural Revolution has been partially discredited by its failure to handle administrative problems successfully. Wang Hung-wen, the young party activist who was appointed No. 3 in the party hierarchy in August 1973, was not able (according to reports in the Hongkong press) to reconcile warring factions among workers in the city of Hangchow last winter.

But the radicals, if that is a fair term for the leaders who came to power as a result of the Cultural Revolution, still maintain quite sufficient influence to disrupt both normal political life and the economy. The campaign to promote the study of the theory of "proletarian dictatorship"—in effect, to attack the remnants of private earning power—continues, even though the stress is on permitting a handful of bourgeois rights (wage differentials, the peasants' private plots).

The campaign was launched in early February, with a quotation from Chairman Mao. It came suspiciously soon after the National People's Congress in January had approved a new constitution enshrining certain basic rights and the appointment of an experienced band of administrators to ministerial jobs. Admittedly the campaign has named no names, and has failed to overturn any policies. Nevertheless it has confused many junior officials, wasted much precious time and created an atmosphere in which wages paid according to work and all kinds of incentives are frowned on.

Resentment

The industrial strife of the past 18 months (fully acknowledged in official reports) seems to stem mainly from resentment at this deliberate effort to clamp down on rewards and fringe benefits. Feelings have run very high; at the Taiyeh iron mine, part of China's second largest steel enterprise at Wuhan (where industrial troubles have seriously reduced output) the local radio station reported that workers had murdered one official who had tried to prevent them using the mine's trucks to carry stone for private house-building. A powerful factor is probably the youth of the labour force and the fact that for many of them the most formative (and enjoyable) experience of their lives was the anarchy of the Cultural Revolution.

In the end, the radicals may be discredited simply because fully Maoist policies will just not work well enough for China's present needs.

It seems possible that this is now recognised much more widely in China than ever before. This is for purely physical reasons, which have nothing to do with ideology. No matter how hard the peasants work, after centuries of intensive cultivation and 15 years of investment in mainly Chinese methods, the land simply cannot produce more without the modern inputs used elsewhere in the world. Agricultural production in the past five years has not increased anything like fast enough to cope with the needs and aspirations of the population. The huge shot in the arm that should come from the large fertiliser complexes purchased recently from the West, once they are in production (before the end of the decade), should justify the Chouist policy of "making foreign things serve China." But no one should underestimate the support there is for egalitarianism and self-reliance: the prolonged campaigns this year and last are evidence enough of that.

FRENCH NUCLEAR INDUSTRY

Shake-up in the power game

BY ROBERT MAUTHNER, PARIS CORRESPONDENT

THERE IS a strong temptation, following the recent merger of France's state-owned computer group CII with Honeywell Bull, and last night's decision on the reorganisation of the French nuclear industry, to say that *France has finally sacrificed* nationalism to efficacity. In each case American technology has won the day, whatever financial arrangements might have been made to give French interests, including the state, a controlling voice.

Nevertheless, those who make such a claim are over-simplifying the issues. A more subtle interpretation of what has happened *is that President Giscard* d'Estaing who, although a realist, is no less a defender of his country's interests than his predecessors, has opted for international solutions which will ensure that two of France's high technology industries which might otherwise have foundered miserably will survive in good shape. The openly avowed aim is that, at some future date, they will be able to stand on their own technological, as well as financial and commercial feet.

The statement by the Presidential spokesman on Wednesday night, following the Cabinet's *decision on the radical rationalisation* of the nuclear industry, must be seen in this light. "The President has expressed the wish that, in the electro-nuclear field, an international-scale industrial group should be set up, capable of satisfying national requirements for electricity and of *conquering a substantial share* of export markets at optimum prices and in the shortest possible time," he said.

> 'The conventional wisdom is that no one can forecast with any accuracy the demand for energy . . . because of the uncertainty surrounding the price of oil'

There has, in any case, been no question of creating a purely *French nuclear industry for the* past six years. Ever since the abandonment of the gas graphite reactor in 1969, the French nuclear power programme has depended on two reactors built under American licence—the Westinghouse pressurised water reactor (PWR) constructed by Framatome, jointly controlled by the huge steel-to-nuclear group Creusot Loire and Westinghouse, and the U.S. General Electric boiling water reactor (BWR) made by the Compagnie General d'Electricite (CGE).

For years the two companies competed against each other for Government orders. Framatome was always the favoured supplier, but CGE was given a real chance of a place in the sun with the announcement in March 1974 by the then Prime Minister, M. Pierre Messmer, of a massive atomic energy programme in the wake of the world oil crisis. Work would be started on as many as 13 power stations in 1974 and 1975 and would continue at the rate of six or seven until the end of this decade, he said. France would show the world how an advanced industrialised nation could beat the energy shortage.

It is this policy of le tout-nucleaire, already seriously undermined by a lively, if belated, national debate earlier this year on its security aspects, which has now been finally *abandoned. The conventional* wisdom to-day is that no one can forecast with any accuracy the demand for energy within the coming years because of the uncertainty surrounding the price of oil.

How, therefore, is it possible to decide on the number of nuclear *power stations which should be* built every year for the state electricity authority EDF? For the moment it has been decided not to touch the programme for the construction of 12 nuclear stations of 1,000 MW each in the years 1976 and 1977. But, although nothing has yet been settled definitely, it is considered highly probable that the programme for the following years will be sharply curtailed. In the circumstances, the Government has decided that two constructors of nuclear reactors in a country like France are too many.

There are at *least* two *main* reasons why it has opted for the PWR built by Framatome and decided to cancel its two orders and six options for CGE BWRs. In the first place, the nuclear power station programme was already largely built around the PWR which had proved its tech*nical reliability and export poten*tial, and, secondly, the authorities did not want to accept a price increase of 30 per cent. which CGE reportedly demanded for its two reactors on option.

Having made its choice for technical, price and commercial reasons, the Government had to take into account the political factor that it could hardly give a monopoly for the building of nuclear reactors in France to a company whose principal shareholder, Baron Empain of Creusot-*Loire, was Belgian, and who, to* boot, held a licence from an American company, Westinghouse, which itself had a 45 per cent. stake in Framatome.

The solution found—the purchase by the French Atomic Energy Authority (CEA) of what will probably be about a 30 per cent. stake in Framatome from Westinghouse, while Creusot-Loire retains its 51 per cent. holding, will obviously give the French State an important say in the reactor company's policy even if it does not give it a blocking minority. This "francisation" policy is to be *completed by the negotiation of* a genuine partnership between the CEA and Framatome, which will provide for joint research and development operations, once the current licence agreement between Westinghouse and Framatome expires in 1982. Creusot-Loire, apparently, has already agreed in principle to proposals on these lines, but it *is difficult to see, for the moment,* what Westinghouse stands to gain from such an arrangement.

CGE's interests, on the other hand, have been by no means neglected, in spite of the fact that it has lost the major battle. One of the company's subsidiaries, Alsthom and the Brown Boveri subsidiary, Compagnie Electro-Mecanique (CEM) have just signed an agreement with Creusot-Loire setting up a joint company which will provide heavy turbine equipment for turnkey nuclear stations to be marketed world-wide.

What is more, CGE has not been finally excluded from the nuclear reactor race, since it is working on fast breeder reactors, *one of the areas in which the* French Government wants to co-operate with West Germany, with the long-term aim of creating what was described rather optimistically yesterday as "an eventual Franco-German nuclear market."

The forthcoming talks with West Germany, which in addition to advanced reactor research, will also cover security problems and uranium enrichment, are not *the least interesting aspects of* yesterday's French nuclear shake-up. They fit in with President Giscard's general policy of forging a privileged relationship between France and West Germany in many essential fields. Such a bilateral trend was already accepted with ill-grace by France's Common Market partners at the time of General de Gaulle. It is unlikely to receive a warmer reception to-day from the other Community members in spite of President Giscard's more discreet diplomacy.

Lardinois will see disgruntled wine-growers

By Reginald Dale

BRUSSELS, August 7.

PROTESTING French wine producers will be able to air their grievances personally to Mr. Pierre Lardinois, the EEC Agriculture Commissioner, it was confirmed in Brussels to-day. A wine-producers' delegation, accompanied by M. *Christian Bonnet, the French* Minister of Agriculture, will meet Mr. Lardinois on August 22, either in Brussels or in Paris.

The wine-growers, who have disrupted holiday traffic throughout southern France in recent days, want EEC meas*ures to protect them against* Italian wine imports and support their incomes. They have called for the resignation of M. Bonnet, who has now agreed to arrange the talks with Mr. Lardinois.

The meeting will take place in advance of a council meet*ing of EEC Ministers of* Agriculture in Brussels on September 9, at which wine will be the top item on the agenda. The wine-growers have made clear they expect the French Government to go ahead with unilateral action on September 10 if measures *to support the French wine in*dustry are not agreed

Algerian groups clash in France

St. Maurice-l'Artoise, August 7.

INTERIOR Minister Michel Poniatowski flew here to-day to defuse tension between two Algerian communities after one group took four workers hostage to seek the release of a seven-year-old boy held in Algeria.

"Harkis," former Algerian *soldiers in the French colonial* army who now have French citizenship, detained the four Algerian immigrant workers in a refugee camp. Two other Algerian workers were injured in the incident. It followed the detention in Algeria of Borzani Kradaoui, the son of a Harki, at the end of a holiday there with his mother.

An Interior Ministry official said the Algerians had released him and he was expected to return to France later to-day. The Harki camp was encircled by police, including riot squads, to-day.

Two people were injured in the incident here last night, but it was not immediately clear how or when the refugees had forced the Algerians into the camp.

About 250,000 *Moslems*, including several thousand former Harkis, emigrated to France when Algeria became independent 13 years ago.

They chose to become French for fear of reprisals by Algerian nationalists, and most Harkis refrain from returning to Algeria, where they *face arrest* for their actions during the 1954-62 Algerian war of independence.

The Harkis at St. Maurice are particularly militant. Last June the sons of four Harkis held a French civil servant hostage for 28 hours to back their demands *for better treatment* by the authorities.

The French Government earlier yesterday announced measures to improve social conditions for the Moslems, who complain that French people confuse them with Algerian migrant workers and discriminate against them.

Reuter

Second fuel depot fire

PARIS, August 7.

FUEL OIL and petrol were in flames at the Shell storage depot near Metz to-night in a dozen storage tanks over an area of 5,000 square metres. The blaze follows another serious fire two days ago at a Shell depot near Thionville, 15 miles north of Metz.

Main roads out of Metz were closed, and more than 300 firemen from neighbouring departments and from West Germany were fighting the fire.

Police said they were certain to-day's fire was arson, and an anonymous caller telephoned the Thionville office of a Lorraine newspaper saying the Workers' Direct Action Committee started the fire. The caller also said the committee, unknown to the *authorities until to-day*, started another fire at nearby Florange on Tuesday night. This gutted a tank containing heating oil.

He said the committee planned more sabotage in the area but was temporarily holding back because all oil refineries and storage depots were now closely guarded by the army. He said the committee sought to split the government and the people and make "capitalist companies which profit from the people lose a great deal."

● A *spokesman for* Shell Francaise said the loss so far at Metz represented only one day's consumption of petrol in the Lorraine region and pointed out that the loss of 3,200 tons of *fuel oil* was relatively insignificant when compared with a total consumption of 1.3m. tons in the area last year.

Reuter/UPI/AP-DJ

Yugoslavia will build second nuclear plant

By David Lascelles

YUGOSLAVIA'S nuclear power plans took a step forward this week with the announcement *that the country's second plant* is to be built on Vir, an island off the Dalmatian coast city of Zadar.

The plant will have a capacity of between 800 and 1,000 mW and should be completed within eight years, according to Tanjug, the official news agency.

The announcement said that the plant would be built with the resources of Slovenia and Croatia, but made no mention of who would build it. Yugoslavia's *first nuclear plant*, announced last year, is being built at Krsko by Westinghouse.

The Vir site was chosen because of Dalmatia's energy deficiency.

Details are now awaited of Yugoslavia's *third* power plant, which is expected to be sited near Zagreb in Croatia. This plant will be built in the 1980s and have a capacity similar to the one at Vir.

Sharp decline forecast in W German house-building

BY GUY HAWTIN

FRANKFURT, August 7.

THE WEST German Government is expecting a steep decline in number of new homes completed this year. At the same time declining output appears to have done *nothing to stem the steady* increase in house prices. A report published by the Federal Construction Ministry to-day *concludes from* an analysis of planning approvals that only between 450,000 and 500,000 homes will be built this year. This is far below the 604,400 completed in 1974—a figure which, itself, stood a full 15 per cent. below the 1973 level.

There *is very little in* this report to cheer the construction industry, a vital sector on which many other industries, including the steel industry and chemicals, depend. The nation's construction concerns are currently awaiting details of the Government programme aimed at stimulating building, thereby providing a shot in the arm for the entire economy.

According to to-day's report only 417,300 new planning approvals were registered in 1974—a 37 per cent. decline on the year before. This year the *trend* has continued and in the opening months approvals were running 20 per cent. below the rate of the previous year.

At the end of 1974 there were still some 554,000 homes under construction, while a further 229,000 had been approved but not started. But the "construction overhang" *lay more than* 200,000 below the figures of the previous year. The Ministry comments, however, that there is still a possibility this year's performance can come near to the long term average for the sector.

The report adds wryly that the changed and much healthier situation in the capital market *has not* yet been sufficient to encourage investment. The trend remained steadily downward.

Some comfort is drawn from the fact that there has been a substantial growth in the construction of public housing, although this represents a reasonably small sector of the market. Volume, the report states, is 17 per cent. up.

Another strong support for the industry is the *relatively high* share of homes being built for owner-occupation. Around 40 per cent. of the planning approvals granted were for private homes, the report says.

Falling demand had failed to regulate house prices, the Ministry said. The 1974 rate of increase averaged 7.3 per cent.—as high as the rates in 1972 and 1973. Net building costs had risen steeply, putting the price of the average one-family house up by 12 per cent. to DM152,400 (£27,963). Homes in two-family *houses had gone up* by 10 per cent. to an average DM104,800 (£19,229), while housing units in multiple family dwellings had *risen* by 7.5 per cent. to an average DM65,700 (£12,055).

Shipping industry hit

BY OUR OWN CORRESPONDENT

FRANKFURT, August 7.

THE WEST German shipping industry has been hard hit by the current recession, according to the Verband Deutsche Reeder, the West German shipping association. The decline in world trade has brought about a severe fall in liner cargoes, says its half-yearly report.

In common with other world tanker fleets, German tanker owners are suffering from a serious drop in demand. The association says that despite small individual improvements, prospects of a general return to normal in the sector appear to be receding.

Over-supply of bulk carrier cargo space has led to an under-utilisation of capacity in the tanker and combined ore, oil and bulk goods freight sector. With the heavy increase in tonnage available, freight rates have fallen sharply.

The association states that it is too early to say whether recent East-West bulk trade deals will *stimulate demand in this branch* of the industry. However, it clearly hopes that the wheat sales by the U.S., Canada and Australia to Eastern Europe, together with the fertiliser purchases China has made in Europe, will bring about some upswing.

Despite the downward trend in the shipping market, orders for new vessels from West German shipowners have continued upwards. Some 96 merchant vessels are currently on order, not including coasters. The tonnage totals 3.6m. dwt and some 71 per cent. of it is placed with German *shipbuilders*.

Zaccagnini appeals to Socialists

BY ANTHONY ROBINSON

ROME, August 7.

SIG. BENIGNO Zaccagnini, the new secretary of the ruling Christian Democrat Party, was given a favourable reaction by both Christian Democrats and Socialists for his maiden speech before party leaders.

He called upon the party to find a new unity of purpose in *preparing for an open* and democratic challenge to the Communist Party on political grounds that did not lead to a frontal conflict between the two but established a dialectical relationship in which the other smaller parties also had a role to play.

He *insisted that the problems* facing the party at a local and regional level, where the former anti-Communist barriers have broken down to permit a generalised entry of the Communists into local and regional councils, should not be allowed to cause a Government crisis at the centre.

It is this part of his speech which appealed to the Socialists, who have been making such local power-sharing agreements. But he clarified the party's line by insisting that the CD party should go into opposition rather than participate in "equivocal alliances locally which leave opposition solely in the hands of the neo-Fascist MSI."

However, in spite of his appeal for unity, the party's largest faction, the Doroteo, whose leader, Sig. Flaminio Piccoli, was passed over as party secretary, has *not yet decided* to put its weight behind Sig. Zaccagnini and has called a meeting next month to clarify its position.

Alitalia strike threat

BY OUR OWN CORRESPONDENT

ROME, August 7.

ABOUT 1,700 Italian pilots belonging to their own autonomous union Anpac have called a seven-day strike starting tomorrow which threatens to paralyse domestic flights of Alitalia and subsidiary companies and leave the two private companies Alisarda and Itavia with the only operational internal flights.

The strike is over the pilots' refusal to agree to a new global labour contract for all airline workers. It is opposed by the three main trade unions confederations, who claim that the pilots are striking to maintain *their privileged position* at the expense of a wider labour contract aimed at reducing the conflicts between grades which have bedevilled civil aviation for years.

Torture trial opens in Greece

BY OUR OWN CORRESPONDENT

ATHENS, August 7.

ALL BUT three of the 31 Greek army officers and soldiers charged with torturing political *prisoners during the seven-year* military régime denied the the charges and pleaded not guilty. They submitted their pleas at the opening to-day of the trial before an Athens court martial made up of two brigadier-generals and three colonels. They face a possible *life sentence if found guilty*.

Three of the defendants accepted the charges and in separate statements to the court asked the apologies of those who were tortured.

All of the defendants served in the special investigating branch of Athens military police that during the dictatorship became the most feared security body in Greece.

The indictment, drawn up after months of investigation, charges the defendants with beating political prisoners to extract information during interrogation and with forcing *them to eat their own excrement* and to masturbate publicly. The alleged methods of torture include electric shocks to genitals, beating of the soles of the feet for hours, and forcing prisoners to remain standing for hours.

Public prosecutor Major Zouvelis told the court martial *that three of the defendants*, two lieutenant-colonels and one major, could not attend the trial because they suffered food poisoning last night.

However, he said, the court should continue the trial because the three men, two of whom were former commanders of the investigating branch, provoked their poisoning with the aim of postponing their trial.

In spite of defence pleas to the contrary, the court decided to continue the trial and said the three defendants would be tried in absentia until their recovery.

The indictment described torture cases of more than 100 prisoners, some of whom will give evidence. Among the expected witnesses are Lady Fleming, widow of Sir Alexander Fleming, and Cabinet ministers and members of Parliament, university professors and *staudents*.

Lady Fleming was arrested for her alleged part in a plot to free political prisoner Alexan*dros Panagoulis*, the would-be assassin of former President George Papadopoulos.

The trial is one of a series of trials of leaders during the time of the junta. A high civil court which sits inside the Korydallos prison, near Pirreus, is trying 28 ringleaders of the *junta, including* Mr. *Papadopouos*.

Post-summit disputes starting

BY DAVID LASCELLES, EAST EUROPE CORRESPONDENT

ONLY a week after the European summit in Helsinki there are already disputes between East and West about how the 30,000 word Final Act should be implemented. The Russians say bilateral agreements would now be worked out among the signatories. But the West, which thinks there has been enough talking and wants some action, sees no reason not to go ahead *without further ado*.

The difference was spotlighted earlier this week when U.S. journalists in Moscow asked the Soviet Foreign Ministry for multiple entry visas under the terms of the Final Act. They were refused on the grounds that a U.S.-Soviet agreement would have to be drawn up guaranteeing reciprocity for Soviet journalists in Washington.

Technically, the difference turns on what wording is used in the Final Act. The Russians go by a phrase they fought to have inserted saying that *implementation depends* on "mutually acceptable conditions." The west, on the other hand, goes by the statement that the signatories should "now proceed" to put the Act into practice.

Though only a technicality, the dispute has fed widely held doubts as to the Russians' willingness to apply some of the Act's more controversial provisions on freer movements of people and ideas.

Western sources have warned against expecting too much from the Act immediately because of the haste with which it was drawn up and the fact that officials have gone off for well-earned holidays. But they say western Governments will resist demands for bilateral agreements because they think the Final Act is quite sufficient.

The Act could be implemented unilaterally if need be, they say.

However, they accept that studies may be needed on some *of the trickier questions such as* human contacts and working conditions for journalists.

For their part, the Russians expect liberalisation of western visa procedures, a long-standing complaint based on the time and effort they say it takes to get permission to enter a western country, especialy Britain. One Soviet journalist complained this week that his visa had taken over two months to come *through*.

But Britain is unlikely to improve visa processing quickly, risking accusations that it is not observing the Final Act. The British say they are trying to speed things up as an on-going process irrespective of the Helsinki provisions.

The East Europeans have also been scornful of Western compliance with the Act's first obligation: to publish the full text. The Soviet Union published the document in full as a week-end supplement to Izvestiya and Pravda, guaranteeing a circulation of over 200m. and costing the individual subscriber less than 2p.

By contrast no Western newspaper has published more than short extracts. Britain yesterday complied by publishing the Act as a White Paper, cost 65p, with *a print run of only 3,500*.

Swedish salary 'curbs'

BY WILLIAM DULLFORCE

STOCKHOLM, August 7.

SWEDISH employers paying "excessive" salaries would be penalised by paying increased social benefit contributions *according to a proposal* that the Social Democrat newspaper Aftonbladet says will be submitted at the ruling party's congress next month. The object would be to equalise incomes.

Under a system for the "progressive shaping of employer contributions" proposed by a joint trade union and party working group the employers would also have to:

1—Pay part of their profits into wage-earner funds.

2—Pay *increased* pension contributions, part of which would be used by the state pension fund to buy up company shares.

3—Pay a higher energy tax, although one increase this year has already brought protests from the companies.

4—Pay a duty on raw materials.

Ulster Unionists' surprise peace move

BY GILES MERRITT

BELFAST, August 7.

ULSTER UNIONIST leaders are to make a surprise peace move to-morrow when they meet a three-man team from the Catholic SDLP Party for the first of a series of discussions aimed at thrashing out a working agenda for the province's constitutional Convention when it reconvenes on August 19.

The Loyalist proposals, which have not yet been even informally communicated to the SDLP, make no concession on the controversial issue of power-sharing.

Instead, they suggest that the 78-seat Convention should examine a scheme for setting up autonomous municipal councils, parallel to Government and at times over-riding it, which would be responsible for industrial development, building and education programmes.

Catholics would be guaranteed chairmanship and control of many of these key bodies.

Although the SDLP will certainly see the plan as a Loyalist move to avoid further discussion of power-sharing, it is possible that their agreement to debate it and possibly enlarge upon it could give the Convention an unexpected lease of life.

Until Unionist sources to-day disclosed details of their proposed scheme it seemed that the round of exploratory talks between the two sides would more probably seal the Convention's fate than provide an agenda positive enough to keep it alive.

The likelihood of deadlock when the two sides meet at Stormont to-morrow had already seemed to increase when it emerged that the Unionist team would consist of three hard-liners—Dr. Ian Paisley's No. 2 in the Democratic Unionist Party, the Rev. William Beattie; the official Unionist Party's chief Whip, Mr. Austin Ardill; and Vanguard Party leader Mr. William Craig.

Hard-liners

Known to be intransigent over power-sharing, and willing only to repeat their traditional offer to the Catholic minority of a "shaping and vetting" role in preparing legislation, the Loyalist leaders' decision to advance a more flexible plan comes as something of a surprise.

Publicly, the coalition chiefs have of late tended to suggest that if the coming round of informal talks with the SDLP fails to hammer out a basis for discussion in the Convention they would rapidly press ahead with their "majority report" to the Secretary of State, Mr. Merlyn Rees, signalling the failure of Ulster's latest last chance.

The SDLP is understood to be planning to arrive at the negotiating table with a number of its own proposals. If these revolve around the vexed questions of the so-called Irish dimensions and power-sharing at "Cabinet level" the Unionists will no doubt withdraw their new scheme, after first disclosing a few enticing details.

It would be an effective ploy aimed at public opinion in an Ulster to-day attempting to digest the implications of Mr. Rees' latest revelation that the past five years have cost a grim total of 1,268 lives.

● A man who loked like Provisional IRA leader Seamus Twomey slipped through three Army patrols in Belfast this week, Ulster Secretary Mr. Merlyn Rees said yesterday. Then he got into a taxi, and though road blocks were set up, he was not seen again.

Mr. Rees, who was giving a written reply to a Commons question, said there was no question of a decision having been taken not to apprehend Twomey.

U.K. car output likely to be 13-year low

By Terry Dodsworth

UNLESS THERE is a marked improvement in U.K. car production during the last five months of the year, it looks as though the industry will record its lowest output figures for 13 years.

Monthly figures released by the Department of Industry yesterday suggest that total production for 1975 will be well under the 1,534,000 achieved last year. The 1974 total dropped just under the low of 1,552,000 recorded in 1967, but was well over the 1,249,000 of 1962.

If production continues this year at its present level, however, it will fall to between 1.3m. to 1.4m. cars—well below last year's disappointing figure, although still higher than the 1962 total.

Recorded production last month came out at 72,000 units, which was 23 per cent. lower than in July 1974. In seasonally adjusted terms—in which abnormal monthly fluctuations are ironed out—output was 123,000 vehicles—the highest rate since January, but still 3 per cent. below the average monthly output in 1974.

Volatile

In the first half of the year production was hit particularly heavily in May. Industrial disputes were a major factor behind the fall to a production level of only 70,000 vehicles—well below any of the poor figures last year.

There is therefore a chance that output figures could recover slightly in what is left of the year—car output statistics are notoriously volatile—although redundancies already announced mean that there can be no great improvement.

Commercial vehicle production this July has also taken a knock. Last month, at 23,800 units, it was 14 per cent. below the level of the same month last year. In seasonally adjusted terms, at 32,900, it was 2 per cent. down on the average monthly output last year.

● More cars were sold by British Leyland in the U.S. in the first seven months of this year than in any January-July period since 1959.

Total sales for the period were 46,249, more than 50 per cent. up on the same months of last year, while July saw an all-time record for Triumph and Jaguar sales.

Triumph sports cars—the open-topped TR6 and Spitfire and the new TR7—sold 2,737 models in July, while 702 Jaguars were sold last month. Total July sales by British Leyland were 7,337, compared with 5,475 last year, an increase of 34 per cent.

However, BL's main success is the Marina, which has led to accusations of price "dumping" which are being investigated by the U.S. Treasury.

These accusations are somewhat ironic since British Leyland is believed to have been one of the prime movers in getting the Society of Motor Manufacturers and Traders to put a "dumping" case against Japanese importers before the Department of Trade earlier this year.

New pensions scheme not practicable before April 1978

BY ERIC SHORT

THE GOVERNMENT'S new pensions scheme, which received the Royal Assent yesterday, will come into operation in April, 1978, the earliest date practicable, Mrs. Barbara Castle, Secretary for Social Services, said yesterday.

The Social Security Pensions Act 1975 implements the Government's pledge to introduce a higher level of social security benefits related to earnings. Contributions payable to the State social security scheme have been based on individual wekly earnings from last April.

The new earnings-related benefits for retirement, widowhood and invalidity will start to build up from April, 1978, and the first improved pensions will begin to be payable one year after the start.

The formula for calculating the benefits to which a person will be entitled is rather complicated—being a combination of the present flat-rate levels together with an earnings-related portion based on the number of years of contributions since the start of the scheme and the earnings during those years.

Full maturity

Full maturity of benefits will be reached after 20 years with a man on national average earnings receiving a combined pension for himself and his wife of more than half pay.

The Act also provides for the earnings-related part of the benefits to be fully protected against inflation by revaluing it against the movement in the Retail Price Index. This is not quite the same procedure as that adopted for the present flat-rate pension, which is revalued at least annually against the index of national average earnings and will continue to be so under the new Act.

The social security rights of women have now been greatly strengthened. They will get the same benefit as men earning the same thus receiving social security benefits in their own right. The married woman's option is abolished under the Act.

All employed women will have to pay full contribution and receive full benefit. But Mrs. Castle announced that this will apply to women who have not exercised the option when the scheme starts. Those who have, can continue with the option and rely on their husband's contributions for entitlement to benefit. The option will be gradually phased out.

The Act also sets out the terms under which employers can contract out of the scheme and provide the earnings-related portion of the benefits through a private occupational scheme.

Mrs. Castle was unable to add anything to the statement made by Mr. Michael Foot, Secretary for Employment, regarding the position of pension scheme benefits in the anti-inflation legislation. This has been causing considerable concern in the pensions industry.

Mrs. Castle said that the passing of the Act would end the uncertainty in the pensions field. The measure had been welcomed by the country and greeted by a remarkable degree of unanimity within Parliament itself.

The Department of Health and Social Security has issued a 16 page booklet — *Pensions: Britain's Great Step Forward* explaining the scheme, which is available from local DHSS offices.

● Lord Byers, chairman of the Companies Pensions Information Centre, welcomed the 1978 start, since this will give time to consider all the implications of contracting out. But he was concerned about Mrs. Castle's reaffirmation that improvements in schemes from July 31, 1976 could not go beyond the minimum contracting out requirements.

This would mean that employees close to retirement could receive only an earnings-related pension in respect of the remaining working years.

Price Code change to stress £6 limit

BY ELINOR GOODMAN

THE GOVERNMENT yesterday formally laid the amendments to the Price Code which will prevent companies passing on wage rises of more than £6 in higher prices. The broad outline of the amendments is the same as that published in consultative form last month but certain changes have been made to the procedural arrangements following discussions with the Confederation of British Industry.

The amendments mean that if a company exceeds the £6 limit, the whole wage element in its application for a price rise will be disallowed by the Price Commission. A similar disallowance will be made for nationalised industries breaking the pay limit even if it means increasing their deficits.

Distributors using the low-profit safeguard provisions in the Code will be penalised for an excessive settlement by being prevented from raising their gross profit margin to compensate for the higher wage bill.

As outlined in last month's draft amendments, a company whose wage bill accounts for less than 15 per cent. of total costs will be treated for the purpose of the excess pay sanction clause as if wage costs were running at 15 per cent. Thus, if an employer with relatively low wage costs conceded a pay rise of £7 rather than let expensive plant lie idle, he would not only be prevented from passing on the increase in his wage bill but also a proportion of his other costs.

Certain technical changes to the consultative document have been made in the paragraphs covering escalation and variation-of-price clauses. The proposals in the consultative document have been expanded to make it clear that the disallowance will also apply to variation-of-price contracts which are governed by indices where those indices reflect costs arising from settlements in excess of the pay limit.

The main changes to the consultative document, however, are in the procedural requirements. As outlined last month, details of settlements affecting more than 100 employees will have to be sent to the Department of Employment for vetting if the company wants to raise its prices. But the Government has agreed to the Confederation of British Industry's requests to speed up the procedure

The Government is thus not at present proceeding with the proposal in the consultative document which would have meant that any time taken to obtain supplementary information would not count against the normal 28 day period in which a price increase is cleared

Instead, alternative arrangements for adequate scrutiny are being made and the CBI has agreed to ask its members to make fullest use of the advance procedure whereby information about pay settlements may be lodged in advance of a relevant price application.

Codifying industry's investment needs, Page 15

Pledge on squatters by Mark

By A. H. Hermann

METROPOLITAN POLICE will not hesitate to assist lawful occupiers to eject squatters from furnished residential accommodation, according to a statement issued yesterday by Sir Robert Mark, the London police chief.

The Commissioner of Metropolitan Police said that he wished to relieve any ill-founded public anxiety resulting from recent Press reports about squatting.

This assurance, though welcome, does not cover the important problem of squatting in unfurnished properties, in newly completed properties or in vacated houses.

In one such case not covered by the Commissioner's assurance, the GLC is seeking possession orders on 17 council-owned houses in Elgin Avenue, Paddington.

Demonstrators, protesting against any "mass eviction" of 200 squatters now occupying these houses picketed the Law Courts in London yesterday, when a private hearing was adjourned until August 20.

Sales increase in wholesale textile trade

ONLY TWO of the 13 sections of the wholesale textile trade showed increased sales in June this year over levels 12 months earlier. Sales of floor coverings rose by 9.8 per cent. and of boots and shoes by 18 per cent.

The monthly figures are released to-day by the Textile Distributors Association. Looking at the first half of 1975, the statistics show that six of the sections enjoyed increases in sales over the first half of 1974.

The principal improvement was in women's coats, costumes, furs and rain coats.

British Land Paris deal

BRITISH LAND has completed what it claims to be the largest single letting made in the centre of Paris—a 12,500 square metre office building off the Rue de Faubourg St. Honoré.

The building has been let to the French Government. It is part of a 1.5 acre complex which produces a total income of about £900,000 a year, and is within 150 metres of the Elysée Palace and the U.S. embassy. The lease to the French Government has annual indexation applied to the rental.

BANK RETURN

—	Wednesday Aug. 6 1975	Inc. (+) or dec. (—) for week
BANKING DEPARTMENT		
LIABILITIES	£	£
Capital	14,553,000	—
Public Deposits	22,489,486	+ 950,204
Special Deposits	969,875,000	—
Bankers	284,839,695	+ 25,952,232
Reserves & Other A/cs	348,177,147	— 4,865,200
	1,639,934,328	+ 22,037,236
ASSETS		
Govt. Securities	1,213,397,899	+ 61,856,000
Advance & Other Acs	298,969,286	— 39,609,743
Premises, Equip't & other Secs	88,828,279	+ 46,672
Notes	40,642,220	— 245,884
Coin	206,644	— 8,709
	1,639,934,328	+ 22,037,236
ISSUE DEPARTMENT		
LIABILITIES	£	£
Notes Issued	6,975,000,000	— 25,000,000
In Circulation	6,934,357,780	— 24,754,116
In Bank'g Dept.	40,642,220	— 245,884
ASSETS		
Govt. Debts	11,015,100	—
Other Govt. Secs.	6,257,822,466	— 34,299,354
Other Securities	706,162,434	+ 9,299,354
	6,975,000,000	— 25,000,000

New Stock Exchange rights issue notice

BY MARGARET REID

COMPANIES raising cash by rights issues must bring any existing profit forecast up-to-date, and must back any fresh profit prediction with the supporting statements normal in prospectuses, the Stock Exchange has laid down.

In a new notice yesterday, the Stock Exchange Council recalls that, when profit forecasts are made in any prospectuses, the assumptions underlying them have to be stated.

They must also be accompanied by a report by the auditors or reporting accountants on the accounting bases and calculations used for the forecast, and by a report by the merchant bank or stockbroker advising as to whether the forecast has been stated "after due and careful inquiry."

In drawing attention to these requirements, the council first points out that any words used in prospectuses which, in effect, make additional forecasts, must be backed up with the usual supporting reports.

The council says it "wishes it to be understood that for the purpose of deciding whether a profit forecast has been made [it] will have regard to any words which may be used in commenting either upon future accounting periods, or on past accounting periods for which results have not been announced to the public.

"Whenever it becomes possible, by using such words in conjunction with published data, to arrive at an approximate figure for future profits by an arithmetical process, the council will take the view that a forecast has been made and require it to be reported upon in accordance with the usual requirements.' it is stated.

In a fresh ruling, the council has also decided that, if there is in existence any profit forecast in respect of an unexpired accounting period, or period which has expired but for which results have not yet been announced, a further statement about it must be included in a prospectus.

This should confirm, amend or withdraw the previous forecasts. Here, too, appropriate supporting statements will be required.

The new notice introduces its ruling by commenting that recent experience, particularly with rights issues, has shown that advisers to companies are not always entirely clear about the definition of a profit forecast.

News group takes share in local radio

NEWS INTERNATIONAL, which owns the Sun and News of the World newspapers, has bought a substantial share in Radio Kennet, the local commercial radio station which should be broadcasting from Reading, Berks., by the end of the year.

The News International Group will contribute two of the directors on the 14-man Board of Radio Kennet. The two will also be on the Board's four-man executive committee. Mr. Rupert Murdoch, News International chairman, will not be on the radio's Board.

Lord Douro will be Kennet's deputy chairman. He said News International had bought £99,000 worth of the £220,000-worth of shares on offer—about 45 per cent. This was the radio's second attempt to raise money. It failed to raise the necessary share capital in the Reading area in the spring.

Men and Matters, Page 14

Post Office reviews its link with CBI

BY HAROLD BOLTER, INDUSTRIAL EDITOR

THE POST OFFICE has told the Confederation of British Industry that it is considering withdrawing its membership of the organisation, but a final decision will not be taken for another two months.

Mr. Campbell Adamson, the CBI's Director-General, explained that the confederation and Sir William Ryland, the Post Office's chairman, had agreed to review the position jointly next month.

"Meanwhile, the Post Office will remain a member of the CBI, as it does not have to renew its subscription until October," Mr. Adamson said.

He also made it clear that there have been no indications from the other nationalised industries that they are thinking of withdrawing their membership of the confederation.

"We don't think that there is any built-in problem over the nationalised industries belonging to the CBI and the majority of the nationalised industries do not think so either," he emphasised.

"There are times when particular views may vary but that is the sort of organisation we are."

Mr. Adamson said that although the confederation had a very wide membership, for good reasons, there was no particular strain in the relationship between public and private sector members.

The CBI has a representative on the Post Office Users' National Council, which criticised the Post Office on Wednesday for its plans for big price rises and a reduction in services, but Mr. Adamson said that this involvement in the POUNC had not led the PO to discuss resignation from the CBI.

The CBI obviously intends to try to persuade the Post Office to remain in membership, as it is clearly concerned about the development.

The Post Office is one of the CBI's biggest members and makes an important contribution to its subscription revenue, along with the other 15 nationalised industries which belong to the Confederation.

Any general withdrawal by the State-owned concerns would force the confederation into very extensive changes in its own organisation and in the services it offers its members.

Tobacconists attack smoking curbs

BY MICHAEL THOMPSON-NOEL

THE FEDERATION of Retail Tobacconists made clear its distress yesterday at the Government's announcement on Wednesday of a tougher stand against health risks caused by smoking.

The federation said that smokers represent "about half the voters of this country" and called the promise of tighter controls on sports sponsorship and other forms of promotion by tobacco companies "puerile in the extreme."

On Wednesday Dr. David Owen, the Health Minister, told the Commons that in the Government's view, the way in which tobacco products were made, sold and advertised should be subject to the same considerations as "other drugs of addiction which can be dangerous to health."

The federation said yesterday: "Not only does the Government wish to control our pleasures, it also wishes to see our leisure activities curtailed. There is no alternative money available from the Government for sport sponsorship.

"The Government, through its nationalised industries, lost over £800m. in the last 12 months. Every smoker has helped to pay for that loss through his contribution to the exchequer in the shape of £1.5bn. in tax and duty."

Small shopkeepers, said the federation, were going bankrupt at an alarming rate. "An attack on the tobacco industry reduces the tobacconist's opportunity to stay in busines, or—at worst—throws him and his staff onto the ever-growing pile of unemployed, not to mention the cutback in manufacturing and wholesale staff in the event of a reduced demand."

Dr. Owen had said that although the Government's ambition was to reach voluntary agreement with the tobacco companies wherever possible, it was prepared to use statutory powers if necessary.

Doctor advises migrants

BRITAIN'S coloured doctors were advised yesterday not to develop a "chip on the shoulder" because of recent criticism about their competence of knowledge of English language. Dr. M. H. Husain, practising in Rotherham, says in the medical newspaper Pulse that there is "great goodwill" towards them in Britain.

It should be remembered that those who took the examination in Edinburgh that less than 40 per cent. passed were newly qualified recent arrivals.

Contact plan for cancer risks

THE Department of Health is trying to contact 16,000 workers and ex-workers in the rubber and cable industry who may be at risk of developing bladder cancer.

The risk comes from chemicals that the industries abandoned several years ago but which carry a long-term cancer-risk. Area medical officers will be writing to the workers concerned in the next few months providing a test kit for their use.

The workers are being traced through their family doctors, and home visits may even be made to persuade them to take screening. The chemicals are believed to have been used in about 150 factories, chiefly in the Mersey, West Midlands and Greater London areas.

CONCRETE TESTS COURSE

A new "Workshop on concrete testing" is to be held by the Cement and Concrete Association at its Fulmer Grange training centre near Slough, from October 1-3. The course covers wet analysis using the pressure filter and the C and CA rapid analysis machine, sampling methods, cube and beam testing, cylinder splitting, Schmidt hammer testing, ultrasonic pulse velocity techniques, covermeters, core cutting, capping and testing.

Motorists asked to ease airport congestion

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

AN APPEAL to would-be passengers to use public transport rather than their own cars to get to and from Heathrow Airport was made yesterday by Mr. Kenneth Walter, Airport Director, as part of a campaign to cut congestion at the airport.

He pointed out that the peak in air travel through Heathrow would occur at week-ends between now and the end of September. In that period, the airport is expecting well over 30,000 vehicles a day to enter the central passenger terminal area, with more than 80,000 passengers a day at week-ends and 2¼m. a month, who will attract some 3m. more people to greet them or wave goodbye.

In terms of air traffic, there would be up to 100 additional flights every week-end.

Heathrow could handle there numbers, he said, but if such factors as bad weather, breakdowns on the roads, and air and road rush hours combined, there could be congestion and delays. This happened on "Black Sunday," September 1 last year, when many passengers missed their flights.

Mr. Walter asked passengers to avoid travelling to Heathrow by private car if they could during the next few weeks, to use public transport where possible, and be ready for emergency diversions and allow plenty of time for road journeys.

One of the reasons for the congestion is that the building of the Underground railway extension into the Central Area of Heathrow is causing some road blockages and traffic delays. This is occasionally resulting in a build-up of traffic as far back as the M4 motorway.

New post for NVT liquidator

By Terry Dodsworth

MR. KENNETH MORGAN, of Cardiff-based accountants Mann Judd, was last night named as special manager for Norton Villiers Ltd. Mr. Morgan was brought in by the official receiver who was appointed provisional liquidator for the company earlier this week.

Meanwhile, a threat came yesterday of the appointment of a receiver to the company. Hambros Bank Executor and Trustee company, as trustees of NVT's £600,000 6 per cent. convertible debenture stock 1972/77 said that the security created by the trust deed having become unenforceable, it was demanding payment of principal and interest on the stock not later than August 11. Failing this, it reserves the right to appoint a receiver.

It also became clear yesterday that the Government has no intention of paying out any compensation to Norton Villiers Triumph, parent company of Norton Villiers. In a debate in the House of Commons, Mr. Eric Varley, the Industry Secretary, said that the motorcycle company had entered into the agreements on the rescue operation for BSA—which was also supported by £3.7m. of Government money—on its "own commercial judgment."

The future of what is now left of NVT—basically the Small Heath plant at Birmingham—depends on whether the 3,000 workforce agree to company proposals for its contraction, or decide to stage a sit-in.

No compensation Page 11

MORE TIME FOR SAFETY MEASURES

Manufacturers of household electrical equipment are to have more time to comply with the new safety regulations which are shortly to be laid before Parliament by the Department of Prices and Consumer Protection.

The regulations will now come into effect on April 1, 1976 for manufacturers and importers, and October 1, 1976 for retailers and wholesalers, instead of September 1, 1975 for everyone, as previously announced.

ITV newsmen warned on coverage of violence

BY ARTHUR SANDLES

COMMERCIAL television news, current affairs and documentary makers have been told to take even greater care in future over the reporting of violence — and particularly to tailor coverage to the time of the evening when the programme is likely to be transmitted.

A report prepared by the Independent Broadcasting Authority's working party on the portrayal of violence on television published to-day says it is satisfied that the programme makers "do their best to ensure that the degree of violence does not exceed the level necessary to the integrity and completeness of the report."

It goes on to say that the degree of violence in a programme should be strictly in accordance with the importance of the event in the day's news.

It also says that "particular regard should be paid to the likely composition of the audience at the time of the transmission and to the psychological impact of the portrayal in colour of real-life violence and its consequences."

There is a warning that care should be taken not to air the views of those associated with violence in such a way that unstable minds might see them as rational arguments for violence. It is suggested that consideration be given to news items which show the peaceful resolution of problems.

'Spending cuts will hit sport and recreation

BY MICHAEL THOMPSON-NOEL

THE GOVERNMENT yesterday made it clear that sport and recreation are likely to suffer during the era of local authority belt-tightening.

A White Paper presented by Mr. Denis Howell, Minister for Sport, said it would be unrealistic not to expect that spending in this area would be inhibited by present economic difficulties and wrong to exempt sport and recreation from financial constraints.

The threat of cut-backs brought a quick response from Sir Robin Brook, chairman of the Sports Council, the future of which is also discussed in the White Paper.

"Sport and recreation should be considered alongside housing and health and not rated as an optional extra—something that is promised when the time is right," he said.

Echoing Mr. Denis Healey's recent statement that the Government would be seeking "substantial economies" in public spending over the next three years, the White Paper states:

"It is for local authorities to decide their own priorities in the area of environmental services when faced with the need to restrain expenditure.

"It is, however, already clear that for years to come they may be obliged to spend less in total on a number of services including sport and recreation."

The immediate needs, said the White Paper, were for the avoidance of duplication in organisational arrangements, the fuller use of existing facilities and the setting of a clear order of priorities.

The Sports Council is to be retained but changes will be made in its working relationship with the Minister for Sport and the Central Council for Physical Recreation.

Make cycling safer–MP

Go to work on a bike, and find out the urgent need to make cycling safer, Mr. Philip Whitehead, Labour MP for Derby North, urged fellow MPs yesterday.

The 27 MPs living in Hampstead, North London could try cycling to Westminster when the Commons returns in the autumn, Mr. Whitehead suggested.

Tory lawyers propose Press freedom law

BY JOHN BOURNE, LOBBY EDITOR

A SPECIAL law to preserve the freedom of the Press from political pressure through industrial action is recommended in the report of a committee of the Society of Conservative Lawyers, published to-day.

Referring to the current "closed trade union shop" issue, it argues that the desirability of removing political pressure designed to influence the form or content of publications from "the ordinary cut and thrust of industrial relations—and industrial action" must be considered.

"There is now a special case for special enactment. This concept remains valid notwithstanding the amendments carried by the House of Lords to the trade union and Labour Relations (Amendment) Bill.

"The essence of the evil lies in an agreement to act in concert to withhold or withdraw labour, services, or materials as a means of inducing or threatening to induce a newspaper to publish or not to publish material of political content . . .

"It is then for the courts to apply the law, and it is considered that the High Court should have exclusive jurisdiction. It would be competent to grant injunctions, and award damages.

Mitigated

"Although we recognise that if the Lords' amendments to the Bill on the subject of the closed shop are adopted by the Commons the threat to the freedom of the Press is mitigated to some measure, it is not removed. In any event there is no certainty that the Commons will adopt these amendments, indeed the probability would appear to run in favour of rejection."

Generally, the report says it would be a grave error to place any further restrictions on the rights or the willingness of the Press to investigate and to report. The document adds that the preservation of a free and energetic Press is essential to the maintenance of a liberal society, and the general view of the committee was that the individual was already sufficiently protected and the Press already sufficiently fettered.

On privacy, the committee considers it would be undesirable to introduce any statute which would have the effect of fettering the activities of the Press. Such legislation, it says, would render investigatory journalism a great deal more difficult and the loss to the public could be considerable.

On a defamation law, the report recommends:—

● In the event of a plaintiff for damages for libel failing to take any steps in an action for a continuous period of 12 months, the defendants should in the absence of special circumstances be entitled to have the action dismissed;

● whether every libel action should be tried by jury should be within the discretion of the courts;

● the distinction between libel and slander should be abolished;

● the defendant should be entitled to rely on the defence of "justification" in respect of the whole article so that if the truth of every allegation of fact in it is not proved, the defence should not fail if the words complained of do not materially affect the plaintiff's reputation;

● related evidence of specific known past conduct of the plaintiff should be admissible in evidence in mitigation of damages.

On the Press Council, the report says that there is not justification at present for reconstituting this body. "Attempts will always be made by Government departments, MPs, Ministers, local authorities, hospital boards, business or other concerns to suppress information or to obstruct or mislead the Press in gathering information of public importance.

"It is essential that such attempts should be made known to the public. Object four in the constitution of the Press Council emphasises the Council's right to investigate such attempts."

The Property Market

BY JOHN TRAFFORD

Big London offices are still in demand

DEVELOPERS WITH large office blocks nearing completion in the inner London suburbs can take comfort from the very large letting just achieved by Raglan Property Trust in Putney. The Metropolitan Police has agreed to pay a rental of £7.50 a square foot for the large 91,280 square foot office development at 3/29 High Street, Putney, which is scheduled for completion in November or December.

Healey and Baker, who acted as letting agent, must feel some satisfaction that the development has been let with such ease at an acceptable rental to a high class tenant months before completion of the building work. The same satisfaction is doubtless felt by Hanover Property Unit Trust, which provided the development finance and were advised by Knight Frank and Rutley.

The deal underlines the fact that, despite the apparent over-supply of office accommodation in and around London, the number of very large modern units available is distinctly limited. Rent levels achieved on them have shown correspondingly more vigour than the rents on smaller units.

Many professional firms employing a relatively small number of people—solicitors, accountants, architects, stockbrokers, even estate agents—have merged or closed down an office or even put up their shutters with the result that London is awash with accommodation in the 500 to 5,000-square-foot range. Rents are inevitably depressed.

With parts of Berkeley Square House in the very heart of Mayfair now on offer at £9 a square foot, a rent of £7.50 a square foot for Putney may seem high. However, the building is a high specification job with air-conditioning, double glazed and tinted windows, five passenger lifts and covered parking for 176 vehicles.

The general pattern, if pattern there is, seems to be that only the very large, financially secure companies (and of course public service organisations) are very active in the south east office lettings market. A test of that assumption should come soon following the very important acquisition of Ready Mixed Concrete's 180,000 gross square foot office development at Staines by the British Rail Pension Fund for £9.1m.

The yield on the deal is known to be around 9.5 per cent, which appears at first sight high. It is probable that, if the development were fully let to occupying tenants rather than leased back to Ready Mixed Concrete (who will certainly not occupy the whole premises), a yield of 7¾ per cent. might have been obtained.

The yield gap of around 1¾ per cent. can, indeed, be seen as a measure of the purchaser's concern that occupying tenants may be hard to find at the notional rental of £5.50 a square foot which the agreed yield suggests. Ready Mixed Concrete may, of course, occupy a part of the premises but many eyes are likely to turn with interest towards Staines as the completion date on the block, early 1976, approaches.

Brewers move in to Aylesford

BRITISH ANZANI is pleased with the letting of its 43,000 square foot "B" building on its 80-acre industrial and warehousing estate at Aylesford, Kent, to Scottish and Newcastle.

The building was originally destined for another brewing group and now that it has been taken by Scottish and Newcastle no further space is available on the estate. No new development work is being undertaken for the time being although, with only 40 of the 80 acres so far developed, British Anzani will clearly want to do more development when the climate is right.

Rentals agreed for the latest letting are believed to be a little above £1 a square foot, which is low for the area—small warehouse space has recently been moving at £1.25 a square foot. But then it is not every day that a first-class tenant with a track record of rapid expansion in the south east presents himself.

The brewery company is also taking 3,000 square feet of office space, now being completed by British Anzani Construction.

The letting is clearly important to British Anzani which has been having its share of cash flow problems. Its Ayleford estate now comprises about 1m. square feet of warehouses. The major tenants are the GPO Supplies Division (with 410,000 square feet), Ozonair (with 250,000 square feet), the Anzani subsidiary Maidsone Paper Converters (150,000 square feet). There are five other smaller non-group tenants.

Agents for British Anzani in the latest deal were Sidney Noble and Co., John D. Wood and Co acted for Scottish and Newcastle.

The group also has ambitious development plans for Felixstowe where it has built 750,000 square feet of warehousing and cold storage space and 140,000 square feet of offices on a 54-acre site. International Marine Management has taken 350,000 square feet there in two linked warehouses and East Anglia Freight Terminals occupies 160,000 square feet of warehousing and offices. IMM Cold Storage operates the only large cold store in Felixstowe, comprising 750,000 cubic feet of cold storage.

Leeds rents at a standstill

LEEDS City Centre office rents have been moving up in the past 12 months and have now stabilised at around £4 a square foot for the best offices, according to a new 7-page report just published by Weatherall Hollis and Gale of Leeds.

The agents think that the economic problems have reduced demand so that demand and supply are now reasonably in balance. Currently there are only about 50,000 square feet of new or refurbished office space available in the City Centre—a small proportion of the total 5m. square feet supply of offices in the city. Apart from space being built for owner-occupation, there is a further 250,000 square feet under construction and due to be completed between mid-1975 and the end of 1977. Furthermore there is 100,000 square feet of office space for which planning permission has been granted.

Within the next three years, say Weatheralls, 400,000 square feet of new or refurbished offices will come on to the market. Under "normal" conditions this would be an under-supply—well over 500,000 square feet of new office space was let in the period 1973-mid 1974. Armed with that statistic the agents hopefully conclude that although it is impossible to predict the demand in the next three years "it seems unlikely that 400,000 square feet will be adequate."

On shops, the agents say there has been a good demand throughout the year except in secondary positions.

The good demand for industrial property apparent a year ago continued until the 1974 October General Election. During the period rents for industrial properties in good positions rose to 95p to £1 a square foot. Since then, however, the demand for space has declined and rent levels have remained fairly static.

The agents go on to say that the quantity of completed unlet space has grown throughout the year and now amounts to about 250,000 square feet of completed buildings. "This space is all available at rents in the region of £1 a square foot and rents are likely to remain at this level until most of the current supply of space is taken up."

The report adds that at the moment very little space is being built. When space now available has been let, rents are likely to rise since it is difficult to build good warehouse units and let them at an economic rent of less than £1.25 a square foot unless yields fall significantly.

Leeds Property Report, Summer 1975. Weatherall Hollis and Gale, CMA House, Park Place, Leeds SL1 2HP.

On schedule at Lyon

IN a month's time on September 9, Europe's largest shopping centre—the five-storey 110,000-square-metre Regional Commercial Centre of the massive Part-Dieu comprehensive development in the centre of Lyon—is to be officially opened.

No one is saying just how many of the 250 boutiques included in the scheme will be ready by then but a cursory glance around the development suggests that only 40 or 50 might be ready to open. Many of the smaller spaces, particularly on the less-favoured top floor, have yet to be let.

On the other hand most of the big stores seem well advanced. The two anchor stores, one at the northern and the other at the southern end of the centre, have been taken by Galeries Lafayette and Grand Passage (the Swiss group which trades under the Jelmoli title).

The other big space takers are C and A, Marks and Spencer, Uniprix and Drugstore. The only one that seems unlikely to meet the September 9 deadline is Drugstore.

The M and S saga is an encouraging example of Anglo-French co-operation. It will be only the third M and S store in Europe, the other two being in Paris and Brussels. It will, however, be considerably larger than either with 340 square metres of sales space on two floors plus rather more space in the basement and on the top floor for stock, goods reception and staff facilities.

As with every M and S store in the U.K. since 1926, Bovis have been doing the necessary building and fitting out work—with some interesting differences.

In the first place, the contractors played no part in constructing the centre and were solely responsible for finishing and fitting out a concrete shell. Secondly, the contract (worth about £1m.) was the first undertaken by a joint subsidiary which Bovis Construction set up last autumn with the large French contractors SAE.

Both companies have contributed management in almost equal numbers to the project. Two regional directors (one from SAE, one from Bovis), a Bovis contracts manager and an SAE site manager, and so on. Some of the subcontractors which Bovis has used for years on M and S stores in the U.K. have also worked in the Lyon contract.

Perhaps the most remarkable aspect of the work is the speed with which things have happened. Bovis was promised access to the site in December but only got it in February, two or three months after work had started on fitting out the larger stores.

Work, nevertheless, is on schedule and M and S is now moving goods into the store in preparation for the opening. For M and S, the Lyon project is a calculated gamble. The company is not only entering a market which it knows very little about but it is attaching itself to the fortunes of a mammoth shopping development, the success of which is by no means assured even if it appears quite likely. By 1978 La Part-Dieu should have its own metro station directly under the shopping centre to supplement the extensive bus services and the 4,500 car parking spaces which are being provided.

The success of Part-Dieu is, indeed, needed by many people. There is Louis Pradel the major of Lyon who has been much involved with the project, the developers Société des Centres Commerciaux and their financial backers, the Suez Group, the Balkany Group and the Credit Lyonnais.

But most of all, success is needed to strengthen those who argue that the centres of Europe's largest cities can and should be revitalised through comprehensive redevelopment to give offices, shops and leisure facilities.

OUT AND ABOUT

- Town and City Holdings (Australia) has completed a $1m. fitting out of its 93,600 square foot office development at 444 St. Kilda Road, Melbourne, for the Department of Repatriation and Compensation which is shortly to take possession. Hillier Parker May and Rowden, who acted for the developers as project managers and letting agents, say that St. Kilda Road rents have begun to rise. They believe this will secure the T and C investment while satisfying the Government department.

- Strong interest is being shown by Isle of Man companies in taking space in the 15,200-square-foot Derby House office development by the Julian S. Hodge Bank (IOM)—a wholly owned subsidiary of the Standard and Chartered Banking Group—in Athol Street, Douglas, Isle of Man. The Julian Hodge bank will occupy the ground banking hall and the first floor when the building is completed in March next year. The second and third floors are being offered at £2.75 a square foot and the top floor at £3.00 a square foot. Chrystal Brothers and Scoot of Douglas and Jones Lang Wootton are joint letting agents.

- Gisborn Life now emerges as the "well-known life insurance company" which sold the 9,480 square foot net office block at 124/126 Southwark Street, London SE1, to the Society of Civil Servants. The SCS, which was advised by John D. Wood, examined a large number of alternatives within 40 minutes of Trafalgar Square before deciding on the purchase. John D. Wood comments: "With the market in its present state and with money available in the right situation, it must make economic sense for organisations with subscription incomes to purchase where possible."

- Shell Marketing has bought a four-acre site on the Altens Industrial Estate south-east of Aberdeen from the St. Machar Development Company for an undisclosed sum. Shell will build a distribution and service depot for the Aberdeen area on the site and hopes to have the depot working by the beginning of 1976.

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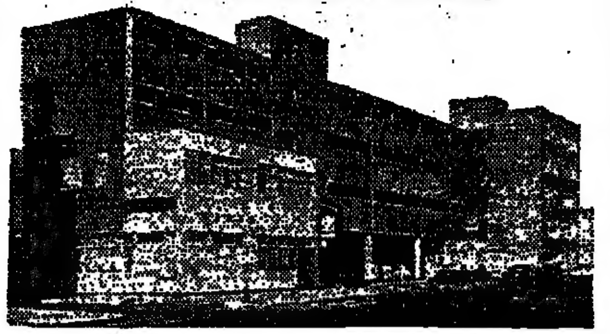

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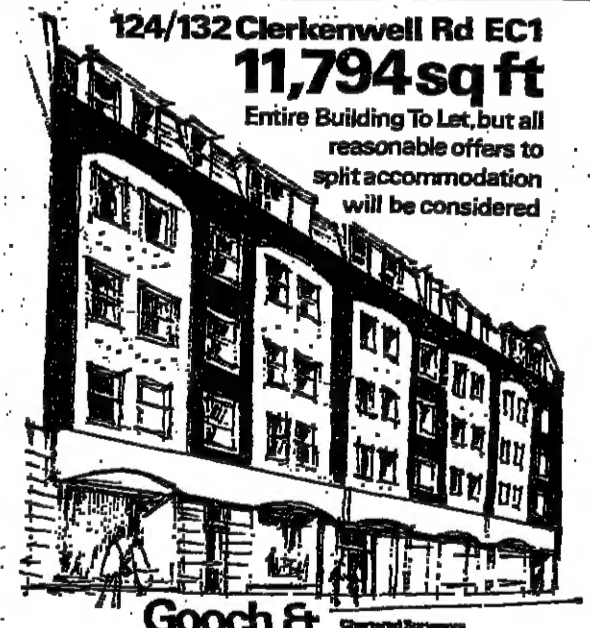

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PLYMOUTH. One mile from dual carriageway connection to Exeter and proposed motorway; convenient Roscoff Ferry. MODERN LEASEHOLD FACTORY (app. 29,000 sq. ft.). Oil fired central heating, good parking and access roads. Site 1.21 acres. Price £25,000. Woolland Son and Manico, Chartered Surveyors, Kinterbury House, Plymouth, PL1 2DQ. Tel. 0752 69292. Ref: 68897.

WITHAM ESSEX. TO LET 10,000 sq. ft. Factory and Offices on prestige Industrial Estate. Modern Single Storey Building complete with Sprinklers—heating, lighting—large loading doors and adequate outside concreted storage areas. Adjacent to main line station, A12, East Coast ports. Full details: Mr. C. Burns, A.L.P. Co. Ltd., Wheaton Road, Witham, Essex. Tel. (0376) 516666.

BUILDING LAND AND SITES

For Sale by Auction
(unless previously sold by private treaty)
ALMOST 1½ ACRES RESIDENTIAL BUILDING SITE
(with detailed Planning Permission for 28 Houses in three storey cluster blocks)
MACCLESFIELD
East Cheshire
on
Wednesday 3rd September, 1975
Further particulars from the Auctioneers:—
FRANK R. MARSHALL & COMPANY,
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PRIME CORNER SITE
In multiple shopping centre
3 Miles from Centre of Oxford
Ample car parking. Ground floor first floor, small basement, total floor area approximately 2,250 sq. ft. Suitable for retailing/cash and carry operations. Premium required. Rent negotiable. Please write in first instance to Mrs. E. Ferriss, 67 Parchment Street, Winchester.

GREEN FARM, Adderbury, Banbury, Oxfordshire. A fine stone farm house, stone buildings and grounds with outline planning consent for conversion of farm buildings into three houses and for five building plots. For Sale by Auction in one lot (unless sold privately) September 18th 1975. BERRY BROS & LEGGE 25a High Street, Banbury. Tel. 0295 53138.

Industrial and Business Property also appear today on page 21

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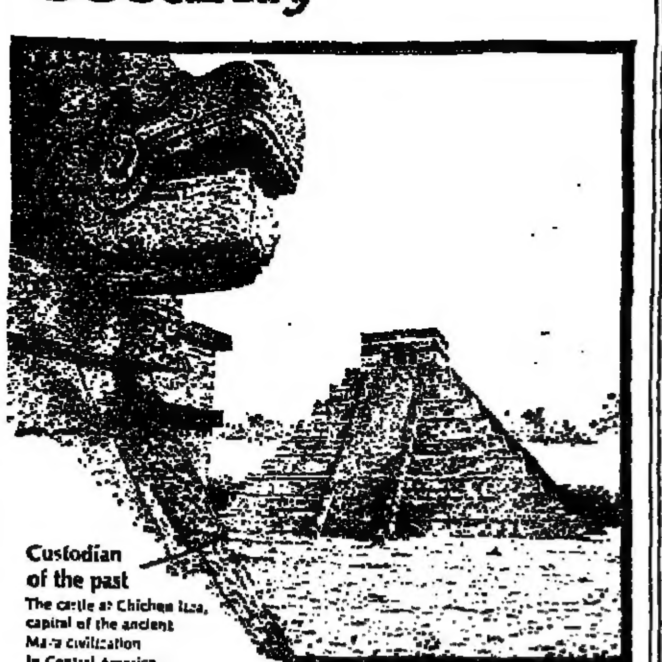
remember* Thessaloniki* *in* *september

40th Thessaloniki International Fair from August 31 to September 14 1975

* (trade capital of Northern Greece—remember?)



Arthur Smith details the British Steel Corporation's plans to re-organise its divisional structure

BSC's new mix for a decade of change

THE BRITISH steel Corporation's main iron and steelmaking activities will, from the end of next March, be grouped into five manufacturing divisions. Each will be based on one of the main steelmaking centres envisaged under BSC's 10-year development strategy.

The new divisions, with the location of their headquarters shown in brackets, will be: Scottish (Glasgow), Teesside (South Teesside), Scunthorpe (Scunthorpe), Sheffield (Sheffield) and Welsh (Cardiff).

At present the main iron and steel activities are allocated to product divisions, responsible for both production and sales and operating as profit centres (within certain overall central constraints).

However, the report on the streamlining, published yesterday, notes that circumstances have changed considerably since the product divisions were established as profit centres in April 1970.

Steel production under the corporation's development strategy would result in multi-product plants in certain main centres which would make it impracticable to adhere to a system of grouping plants into product divisions.

Constraints

"Secondly, experience since 1970 has already made it necessary in practice to increase the constraints on the commercial autonomy of the product divisions. A system of iron and steel divisions, each possessing its own commercial and plant loading responsibilities, is bound to encourage divisional managements to manufacture what is most convenient and profitable from their own point of view, rather than what the overall consideration of market needs dictates."

In practice, the present set-up had increased the role of the head office, which had also inevitably become involved in negotiating commercial matters with major national customers.

Moves towards the more concentrated manufacturing pattern and the consequent overlap between the present product divisions would make it necessary to streamline the planning of sales, order handling, the loading of plant, and the use of materials and energy to secure optimum results for activities as a whole.

The report maintains that there are compelling arguments for constituting the main steelmaking centres themselves as iron and steel divisions with the function of manufacturing to a general production plan and in response to specific orders. "Some other world steel companies have adopted the same system of organisation by reason of the scale and integrated nature of operations in this heavy industry."

The new divisions, each under a managing director, would act as cost centres, essentially responsible for ensuring continuity and consistency of production at the lowest cost and to the highest quality standards. "The divisions' performance will be monitored, as now, through a system of reporting variances against standard costs."

However, the new divisions would not be directly responsible for the sales, order handling, and plant loading functions. These would continue to be carried out on a more unified basis across the Corporation so that the benefit was gained by BSC as a whole rather than by particular manufacturing works.

Orders

The system for handling orders, and allocating them to the manufacturing divisions in accordance with overall production and commercial plans, will be operated through four product units. Each of these will be located in or close to one of the major steelmaking centres especially relevant to the particular group of products.

The product units, with the locations in brackets, will be: plates (Glasgow), sections—heavy and medium (Teesside), billets and billet-derived products (Sheffield/Scunthorpe area), strip mill products (Newport).

The report says: "Orders will be allocated to plants to the best financial advantage of the Corporation, consistent with plant and material constraints, customers' locations, the level of trade, labour and industrial relations considerations and other factors."

Enhanced

Integration between manufacturing—organised on the new divisions—and the sales and plant loading operation would be enhanced by the nearness of the product units to relevant manufacturing works.

Particular attention would be given to customer service and talks with customers about the new arrangements would take place well before implementation.

The creation of the five new manufacturing divisions based on the main steelmaking centres would improve the Corporation's ability to deal with certain matters on a regional basis. "For example, the Corporation's main works in Scotland will for manufacturing purposes fall in future within the Scottish Division, with its headquarters in Scotland; and the pattern will be similar in Wales.

"This contrasts with the present arrangement whereby the Scottish works in question fall within one or other of three different product divisions, of which two have their headquarters outside Scotland."

The managing director of the Scottish division would provide in future a single focus for relations with Government and other organisations in Scotland. The same would be true of the Welsh and other divisions.

"It follows that a senior level of decision-making will be located in Scotland, Wales and the other main steelmaking regions, although the pattern of decisions taken there will be different from the present arrangement.

"The decisions to be taken at the Corporation's head office will be those, and only those, which need to be taken centrally for the Corporation to discharge its statutory responsibilities for operating and developing its assets in the interests of the British economy as a whole."

The main profit centres outside the main iron and steel business will be:

BSC (International)—the subsidiary holding company for the Corporation's interests in overseas subsidiaries and associated companies.

BSC (U.K.)—the subsidiary holding company for BSC's interests in certain U.K. companies.

Redpath Dorman Long—the Corporation's constructional engineering subsidiary.

BSC (Chemicals)—the subsidiary responsible for chemical by-products; also produces coke.

Tubes

Tinplate

Stainless flat products

Forges, foundries and engineering

Light products—for example, alloy and stainless wire; springs; and razor strip.

Electrical steels

Fabricated products

Steel stockholding

Refractories

The executive in charge of each of those profit centres which has no product connection with a particular iron and steel manufacturing division will report direct to the appropriate individual in the Corporation's head office: these profit centres will comprise BSC (International), BSC (U.K.), Redpath Dorman Long, BSC (Chemicals), Tubes, Steel, Stockholding and Refractories.

The executive in charge of each of the remaining profit centres will be profit-accountable to the managing director of the iron and steel manufacturing division having the closest product affinity to the profit centre's business.

The managing directors of the five new iron and steel manufacturing divisions, and also the managing director of the Tubes Division, will report direct to the chief executive as will the functional divisions.

Thus, for example, executives in charge of Corporation operations at Teesside and Scunthorpe will no longer report through the separate management tier of the general steels division as that division will cease to exist.

Employees

The corporation proposes to continue the scheme of employee directors, introduced on its own initiative in 1969, and intends to appoint employee directors to join with full-time line and functional directors in advising the managing directors of its new manufacturing divisions and main profit centres.

It is also intending to extend the same concept to other levels within the organisation by including employee representatives as members of the management committees which will exist at the level of the various groups making up each manufacturing division, and as members of the similar bodies within the parts of the corporation to be constituted as profit centres in addition to the main profit centres themselves.

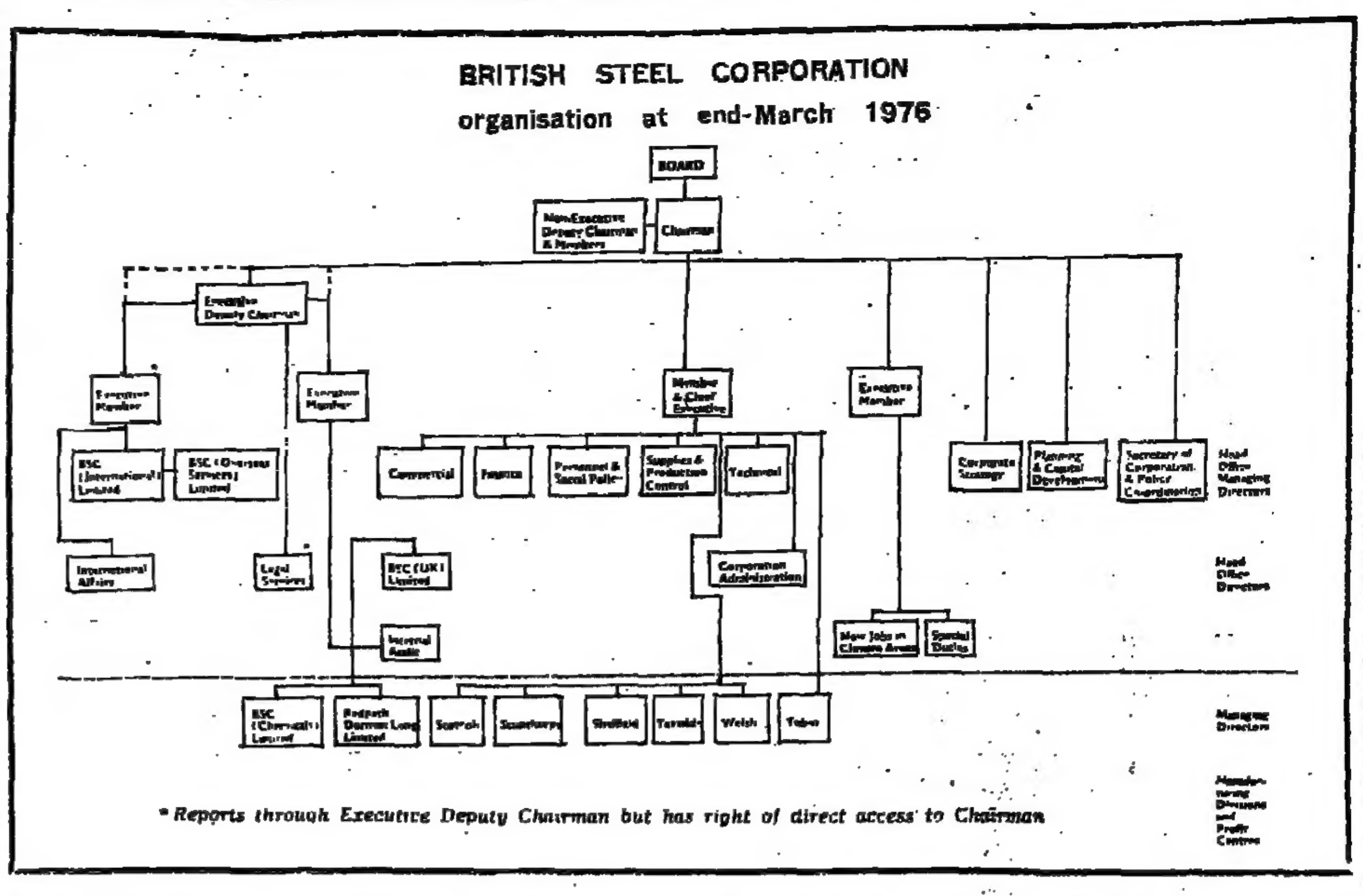
"At the level of individual works, the Corporation believes that its objective to secure a full measure of employee participation can best be achieved through the continuing operation and development of the system of works councils involving direct trade union representation.

"However, this whole question of employee participation is continually evolving and the Corporation will reach its final decisions in consultation with the trade unions and in the light of any future legislation on this subject," the report says.

BSC points out that much detailed work remains to be done before the intentions can be brought fully into operation.

"The main steps of implementing the changes set out in this report will be the subject of full consultation with the trade unions, in accordance with the Corporation's established procedures."

British Steel Corporation, Organisation Review 1975, SO, 28p.


BRITISH STEEL CORPORATION
organisation at end-March 1976

* Reports through Executive Deputy Chairman but has right of direct access to Chairman

PARLIAMENT

College building programme halved for 1976

By Philip Rawstorne

THE UNIVERSITY and further education building programme is to be cut by a half next year.

Mr. Fred Mulley, Education Secretary, yesterday announced that he would authorise starts on major building projects in 1976-77 to a value of about £28m. compared with the £56m. allocated for the current year.

The universities' share of the total will be £8m. compared with £15m. this year.

The amounts authorised for the non-university sector are in effect limits up to which local authorities can start new building projects. The choice of projects will be decided in consultation with the Department of Education.

University building schemes will be selected by the University Grants Committee.

VAT threshold may be raised

A SUGGESTION by the National Federation for the Self Employed that the existing £5,000 threshold for VAT should be raised is being "carefully considered," Mr. Denzil Davies, Treasury Minister of State, assured the Commons yesterday.

Other representations made by the Federation, including the possibility of annual returns, were being studied.

State will not compensate NVT, insists Varley

BY PHILIP RAWSTORNE

DESPITE PLEAS from both sides of the Commons, Mr. Eric Varley, Secretary for Industry, yesterday strongly reaffirmed the Government's decision not to give further aid to Norton Villiers Triumph.

He also made it clear that there could be no question of any Government compensation to the company—"NVT entered into commitments on its own commercial judgment," he said.

Blaming management preoccupation over the past 15 years with short-term profits for the industry's problems, Mr. Varley said the consultants' report had shown how costly and risky it would be to support the industry at its present size.

Regret

Ministers had given careful consideration to the NVT case and, though "worried stiff" for workers in the industry, had decided with "bitter regret" that no further assistance could be given under the Industry Act.

The motor-cycle industry had received substantial Government aid over the past two years, said Mr. Varley—and his predecessor, Mr. Anthony Wedgwood Benn, had made it plain that he could not guarantee jobs.

Mr. Reginald Eyre (C., Hall Green), who initiated the debate, had appealed to Mr. Varley to discuss with the NVT management and unions plans for a viable, modified industry.

The Wolverhampton "sit-in" was "ominous news." The Cabinet, having decided that Mr. Benn's intervention had been unwise, had shrugged its shoulder and turned away from the industry. "No wonder the men feel bitter."

Mr. Robert Edwards (Lab., Wolverhampton S.E.) said: "It is not a question of reducing this industry but of saving it." He had never known such disillusion in the local community.

Mr. Leslie Huckfield (Lab., Nuneaton) urged the Government to "evacuate" the present NVT management and send in Sir Don Ryder, the Government's industrial adviser, to see what could be done.

"Very shortly we shall see a situation where the policemen in London will be riding round on Honda motorcycles, with our Parliamentary despatch riders using Japanese machines. That will stick in my throat and it will stick in the throats of workers up and down the country."

The Commons rose yesterday for the summer recess which will last until Monday, October 13, when MPs will reassemble to deal with legislation still outstanding for completion this session.

Mr. Hal Miller (C, Bromsgrove and Redditch) said the Government had decided to support the Meriden co-operative largely for political reasons, but had then failed to provide sufficient finance to support the other two factories in the industry.

He had referred the matter to the Ombudsman because he believed there was a possibility that injustice would result from Government maladministration.

'Benn-krupt'

But, from the Conservative benches, Mr. Nicholas Ridley Cirencester and Tewkesbury), agreeing with the Government's decision, said that by giving the industry money, the Government would "either lead or mislead suppliers to give them credit."

Even though the Government put money into a concern, it could not take over the responsibilities of the company's directors. "One might almost call this process Benn-kruptcy," he said.

From the Opposition front bench, Mr. Tom King said that the NVT affair had been surrounded with "an atmosphere of muddle.'

The Government had done nothing to resolve the problem and had now left the industry to fight for itself, he said. But it was under an obligation to see if there was some way, short of providing substantial sums of money, in which it could help the industry in the very difficult situation it faced.

No easy passage in the Lords

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

WARNING RUMBLES in the Lords against expectation of an easy passage in the September spill-over session for major industrial legislation still outstanding, yesterday accompanied Second Readings for the Employment Protection Bill and the Petroleum and Submarine Pipelines Bill.

The massive Employment Protection Bill, intended to establish a new framework of industrial law, was denounced from the Opposition front bench by the Earl of Gowrie as a "great racehorse."

"In racing terms it could be described as being by Jack Jones out of Robert Carr," he said—a reference to the fact that the Bill replaces the Conservatives' Industrial Relations Act whose main author was Mr. Carr.

Lord Gowrie considered that employers appeared in the Bill in the guise of Victorian pantomime villains, and he deplored the apparent suggestion that they were so solidly rich that they could easily bear the great weight of sanctions which the Bill would heap upon them.

All the sweets in the legislation were reserved for the recognised unions, and the smacks for the employers, he said.

The Liberals, too, were a good deal less than enthusiastic about the Bill.

Many of the measures it provided, Liberal spokesman Lord Rochester acknowledged, represented substantial general improvements in conditions of employment.

But he criticised the one-sided nature of the Bill, and he agreed with the Tories that it imposed quite heavy burdens on management with no corresponding obligations on trade unions.

The Liberals also had doubts about the effectiveness of legislation in the field of industrial relations. This coincidence of view between the two main Opposition parties was a further discouragement for Ministers.

Equity

Scottish Office Minister of State Lord Hughes, defending the Bill, argued that industry had been too pessimistic about the financial burden the legislation would impose.

"The Government estimates that if all the provisions of the Bill had been in force last year, the additional cost would have been £100m. to £120m.—about 10p a week per employee," he claimed.

Ministers did not believe that exemption offered an acceptable solution, he said. "To adopt such a course would exclude a significant proportion of the employed workforce in the country from the important rights and protections offered by the Bill. This course must be rejected on grounds of equity."

The Pipelines Bill, giving the Government considerably greater control over North Sea developments, also met hostility, with Opposition claims that it was unnecessary.

The confidence of the oil industry in the Government's intentions had been destroyed by the Bill's proposals, declared Opposition spokesman, Lord Strathcona.

Lord Balogh, Minister of State, Energy, assured the critics that the Government was not nationalising the oil industry. It would establish a partnership between the State oil company and the private sector companies in existing and future consortia formed to exploit licences.

"The BNOC, whether it is in partnership or competition with the private sector, will not receive, in any respect, preferential treatment from the Government," said Lord Balogh.

Following practice with the major Bills sent from the Commons, the Lords gave both Bills their Second Reading without divisions before rising for the summer recess.

They will come up again for consideration on the Committee Stage for which the peers are returning on Monday, September 22.

Kirkhill for Scottish post

LORD KIRKHILL, a former Lord Provost of Aberdeen, was yesterday appointed Minister of State, Scottish Office, in succession to Lord Hughes, who has resigned after 14 years as Labour Scottish affairs spokesman in the Lords.

Lord Kirkhill, who is 45, is chairman of South Aberdeen Labour Party and has been an Aberdeen councillor for 12 years.

Lord Hughes, who became a Minister at the Scottish Office in 1964 and served in four Labour Governments, told the Prime Minister last year that he wished to serve only for a limited period.

Pressure for spending cut details resisted

FINANCIAL TIMES REPORTER

DESPITE OPPOSITION pressure in the economically assisted more speedy action, Mr. Edmund Dell, the Paymaster General, insisted that details of the further public expenditure cuts promised by the Government must await publication of the Public Expenditure White Paper later in the year.

He faced Conservative allegations that the Government is already "backsliding" on its anti-inflation programme and warnings from the Labour backbenches that public expenditure cuts which affect the housing programme or involve the likelihood of adding to the unemployment problem will be resisted.

Mr. David Howell, a "shadow" Treasury Minister, recalled the Prime Minister's assurance that there are to be a "new lot of public expenditure cuts" and pressed for a firm indication of when they will be announced—"October, September or this month."

Mr. Dell told him: "The Chancellor has made a number of statements in this House about what he expects to achieve in respect of the level of public expenditure and I cannot add to them at the moment."

First Labour MP to warn that the public expenditure cuts which the Tories were "clamouring for" would be resisted was Mr. Frank Allaun (Salford E.) who maintained that the cutting back of production and consumption would only worsen the disease of unemployment.

Mr. John Lee (Lab, Birmingham, Handsworth) promised "a devil of a row" if there was any attempt to reduce local authority housing expenditure, while Mr. Eric Heffer (Lab, Liverpool, Walton) sought an assurance that action taken by local authorities ties in the economically-assisted areas to help reduce unemployment would not be counted against them.

Mr. Dell said the Chancellor had made it clear that public expenditure cuts should coincide with the upturn in world trade so that there could be a movement of people into export-orientated industries to improve the balance of the British economy.

He urged Mr. Allaun to take account of the very great increase over the past two years in the proportion of resources devoted to public expenditure and told Mr. Heffer he could not give the assurance he sought because of the serious expenditure position in relation to local authorities.

The accusation of "backsliding" was made by Mr. Douglas Hurd (C., Mid-Oxon) after Mr. Dell stated that the measures proposed in the "Attack on Inflation" White Paper were unlikely to have a significant net effect on the public-sector borrowing requirement in the current year.

"As regards next year," said the Minister, "the application of cash limits should help to reduce some of the uncertainty in forecasting the borrowing requirement.

"Once one has determined the appropriate level, cash limits will help to control and ensure that we achieve that level," he added.

Speed limits

TRANSPORT MINISTER Dr. John Gilbert said, in a Commons written reply, that the Government was considering the introduction of different day-time and night-time speed limits on certain roads.

PARLIAMENTARY LEGISLATION

ENACTED THIS SESSION 52 Acts including Counter Inflation Act, Two Finance Acts, Offshore Petroleum Development (Scotland) Act, Oil Taxation Act, Prices Act, Social Security Act, Social Security (Benefits) Act, Education Act, Housing Rents and Subsidies Act, Air Travel Reserve Fund Act, British Leyland Act and Coal Industry Act.

PROGRESSING THROUGH PARLIAMENT All planned to receive Royal Assent by the end of October.

	COMMONS				LORDS				
Bills	2nd Reading	Committee stage	Report	3rd Reading	2nd Reading	Committee stage	Report	3rd Reading	Commons to consider amendments
Industry	●	●	●	●	●	●			●
Community Land	●	●			●				
Petroleum and Submarine Pipelines	●	●	●	●	●				
Housing Finance (Special provisions)	●	●	●	●	●	●	●	●	●
Trades Union and Labour Relations	●	●	●	●	●	●	●	●	
Policyholders Protection	●				●	●	●	●	
Scottish Development Agency	●	●			●	●	●	●	
Welsh Development Agency	●	●			●	●	●	●	
Sex Discrimination	●	●	●	●	●	●	●	●	
Childrens	●				●	●	●	●	

DEFERRED OR WITHDRAWN Aircraft and Shipbuilding Bill, Channel Tunnel Bill and Road Traffic (Seatbelts) Bill.

Commons broadcasts may return to stay

BY OUR PARLIAMENTARY CORRESPONDENT

THE GOVERNMENT will put forward proposals for resuming radio broadcasts of the Commons on a permanent basis as soon as possible, Mr. William Price, Parliamentary Secretary, Privy Council Office, told the Commons yesterday.

The sub-committee of MPs, which is considering the broadcasting issues involved, intends to meet during the Parliamentary recess, so that its report and recommendations to the House will not be delayed.

"When the House has been able to consider this report, it will be necessary to consider the right framework for a decision on a permanent system," said Mr. Price, replying to the last Commons debate before MPs adjourned for the summer recess.

It would be some time before the House could take its decision, and the Minister discouraged the idea that broadcasts of Commons proceedings could be instituted as early as next October.

On the recent experimental broadcasts of proceedings in the House, Mr. Price said the general feeling had been that they were a success.

Both the BBC and independent radio were satisfied with the experiment and hoped that some broadcasting could be resumed at the earliest opportunity. This was also the view of Mr. Edward Short, Leader of the House, said the Minister.

Aspirin safety

THE GOVERNMENT plans to introduce the safety packaging of children's aspirin and paracetamol intended for retail sale on a voluntary basis from January 1, 1976, Dr. David Owen, Minister of State, Health and Social Security, said in a Commons written reply.

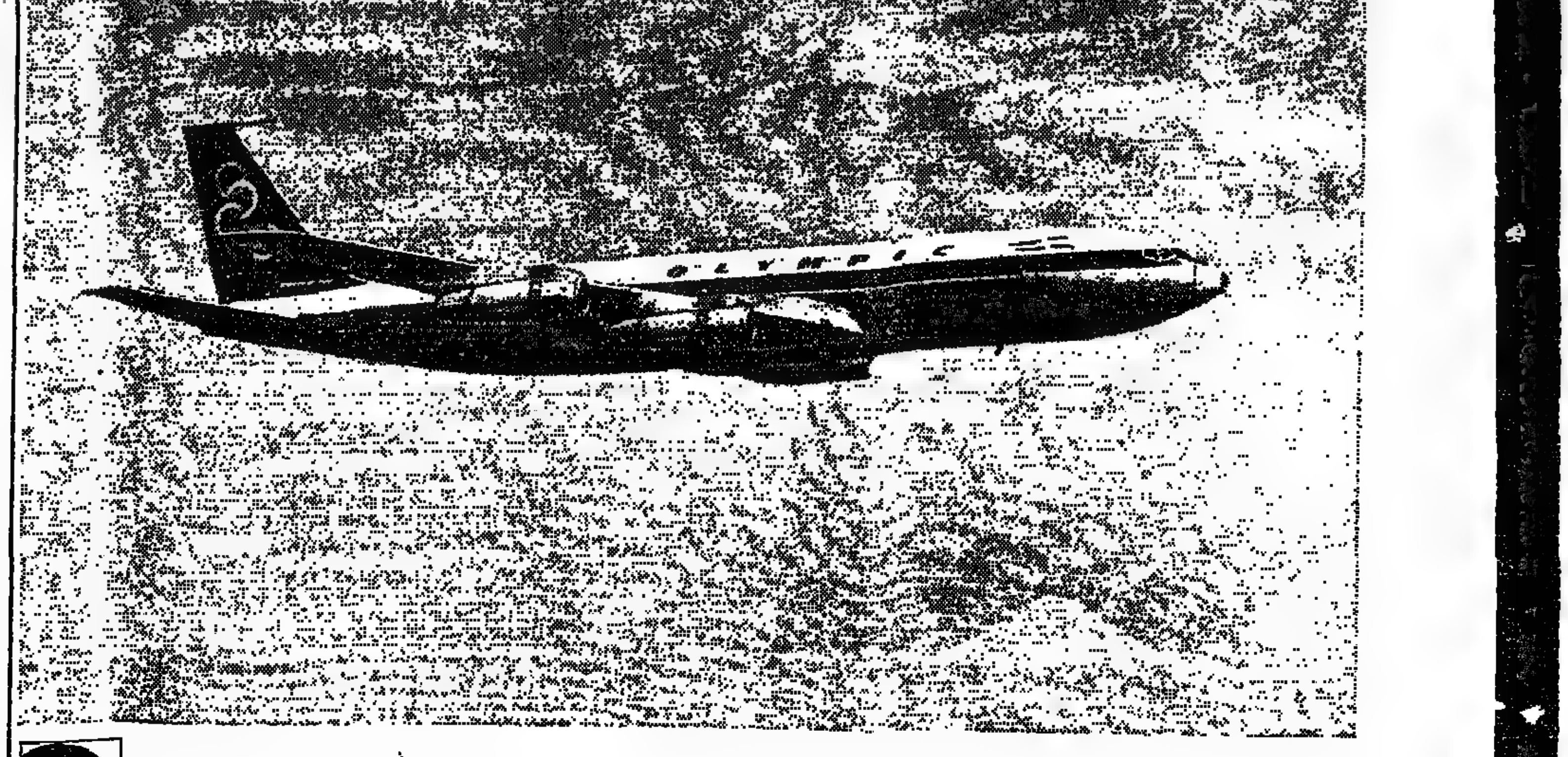
Jim Griffiths dies at 84

MR. JIM GRIFFITHS, one of the Labour Party's leading personalities for many years, died yesterday at the age of 84.

He represented Llanelli from 1936 until he retired at the 1970 General Election. He was Minister of National Insurance between 1945 and 1950 and Deputy Leader of the Labour Party in the Commons from 1956 until 1959.

Mr. Griffiths, who became Labour's most respected elder statesman, was a member of the party's national executive for 16 years. When Labour returned to office in 1964 he became the first Secretary for Wales.

Mr. Cledwyn Hughes, MP for Anglesey, who succeeded him as Secretary for Wales, said: "Jim Griffiths and Aneurin Bevan were the two Welsh politicians of their generations. He will be remembered for his superb platform oratory, his great skill as a mediating politician and above all for the compassion which motivated all his political activity."



LABOUR NEWS

● NEWS ANALYSIS—THE OBSERVER

Casuals and casualties

BY JOHN WYLES

THE SEVEN-WEEK saga of the Observer management's bid to cut its workforce by 30 per cent. will move into a critical phase to-morrow when prospects for publication of Sunday's newspaper will depend almost entirely on the attitudes of about 500 casual workers.

It seems likely that these workers, who are employed in the Observer's warehouses and machine rooms, will refuse to accept the 200 compulsory redundancy notices sent out at the begining of this week. If this happens, management's attempt to grasp the nettle of its overmanning problem will mean the absence from the newstands this Sunday of one of Fleet Street's oldest newspapers.

Although it shares its overmanning problems and general financial instability with several other national newspapers, the Observer is unique in several respects. It is a non-profit making organisation wholly owned by the Observer Trust which was created in 1945 by Lord Astor, whose son, David, now edits the paper.

The Observer's freedom from the compulsion to maximise profits gives it something of a special place in the hearts of printing union leaders until they are confronted with some of the problems resulting from its other unique feature—its total lack of other, more profitable, business interests and newspapers to support it during times of financial hardship like the present.

The printing unions were first told in mid-June of the bleak future facing the Observer, with a projected loss this year of £750,000, and few took much persuading that the situation was extremely precarious. All expressed a desire to co-operate and to help, even when faced with management's insistence that there must be a 30 per cent. cut in manning to guarantee the Observer's future.

This was a tight shoe to expect the printing unions to wear and most of the main printing unions initially left it to their chapels (office branches) at the Observer to decide whether the pinch was too painful.

The response was mixed, but it gradually emerged over the succeeding weeks that for the Society of Graphical and Allied Trades, the National Graphical Association and part of the National Society of Operative Printers, Graphical and Media Personnel the proposed cuts were too large to be accommodated.

While some union leaders would dearly liked to have sacrificed the required number of jobs, they have been restricted by their chapels which, with the exception of NATSOPA's clerical members and the National Union of Journalists chapel, were not prepared to fall in line. But they did produce counter-proposals of their own which fell short of the management's needs.

The chapels have declined to publicise their reasons for opposing the cuts, although some of their union leaders have claimed that the Observer could not produce a newspaper on the manning levels proposed. However, the reason could be seen in the fact that large numbers of the men are not totally dependent on the Observer for their living.

Since there is no daily newspaper using its printing presses during the week and it therefore does not require a large full-time printing staff, the Observer is probably more dependent on casual labour than any of its Sunday brethren.

Of its 1,200 total payroll (pre-redundancies) only 400 were full-time employees. On Saturdays, when the Observer is printed, over 400 printing workers report for casual duty to earn wages ranging on average from £30 for the unskilled to £38 for the skilled for the day's work. Many work for other newspapers during the week and regard their night at the Observer as a desirable bonus which is tax-free until the Inland Revenue calls them to account.

A number of the men who received compulsory redundancy notices this week are over 65 and have found work at the Observer a welcome addition to the pensions. No fewer than 34 men aged over 70 left the newspaper recently under a productivity scheme quite separate from the present cost-cutting exercise.

To some extent, production of Fleet Street newspapers would be seriously impaired without this floating army of casual workers. But the size of the army, swelled by newspaper closures ad the industry's slide into recession over the past two years, is now worrying the printing unions.

But the unions' problems of finding regular employment for those casuals who dot have full-time jobs in Fleet Street will clearly be much worse should the Observer close rather than insist on its redundancy programme.

Another prblome to be faced is that any action which prevents publication for a week or two, even if then followed by a settlement, could accelerate the Observer's steady decline in circulation which has slipped from 902,647 in the first six months of 1968 to 760,750 in the same period this year.

As far as the management is concerned this is the crossroads for the newspaper. Either its enforced cuts are accepted and the Observer given a chance of survival or they will be resisted and the newspaper will move down the road to insolvency.

Plea to firemen not to use safety as a pawn in dispute

BY OUR LABOUR STAFF

LOCAL COUNCIL employers yesterday pleaded with the Fire Brigades Union to return to the negotiating table and not to make public safety "a pawn" in their national dispute over pay and working conditions.

But they said that the exact degree of danger to public safety resulting from industrial action which Britain's 27,000 firemen have stepped up since Wednesday was difficult to assess.

The action has been called by the union to back up a demand for a 40-hour week, in addition to a commitment from the employers that the full £6-a-week rise permitted under the Government's new pay policy would be paid from November, when the annual pay negotiations are due.

Mr. Brian Rusbridge, the employers' secretary on the joint negotiating council for the fire services, said yesterday that firemen were tending to put different interpretations on the 11-point industrial action guidelines issued by the union. As a result the situation "varies from shift to shift, station to station, force to force."

Earlier, employers' representatives said they expected the greatest risks to arise from the union's instruction that no fire calls should be answered unless the engine was manned by the full complement of men required by regulations, and was commanded by an authorised supervisory grade.

Mr. Rusbridge said that Mr. Roy Jenkins, the Home Secretary, was fully aware of the situation, but so far there had been no suggestion of any Government intervention, nor of calling on the army to provide back-up cover.

He accused the union of frequently shifting its ground and changing its demands during the dispute, which is now in its fourth month. One of the reasons why the employers felt nothing could be done before negotiations resumed was that they did not know exactly what the union wanted.

If there was no move by the union, the employers side would meet next Wednesday to consider the full implications of the situation and what steps to take, Mr. Rusbridge said. One question they would consider was whether to give firemen their full pay while the sanctions were being applied.

● Prison officers in London have been awarded London cost of living allowances ranging between £105 a year in the outer area to £300 in the inner area. This is the finding of an arbitration tribunal. The award is backdated to July 1 last year.

CBI wins race on £6 policy

By John Elliott

THE CBI yesterday launched the Government's detailed advice on operating the £6 a week White Paper pay policy in its own CBI Industrial Relations Bulletin when it published the answers to 16 key policy questions now being issued by the Department of Employment.

These questions and answers are also to be set out shortly in a special issue of the Department's Employment News after an understanding reached during private exchanges last week between the Government, CBI and TUC.

But the CBI has beaten the Employment News by arranging its own bulletin to be prepared and printed first. The bulletin is now available at 8p a copy from the CBI's London headquarters. The Employment News, of which 100,000 copies are to be printed, will be issued free.

Meanwhile, the TUC will also be issuing its own advice to unions soon. This will be in line with the CBI and Department's advice although may not follow their precise wording.

APPOINTMENTS

Senior change at BATs exports

Mr. P. J. N. Roberts has succeeded **Mr. T. P. Doran** as managing director of the International Exports Division of BRITISH-AMERICAN TOBACCO COMPANY.

*

Mr. J. C. Mansfield has been appointed chairman of BROOK MOTORS, a Hawker Siddeley company. He succeeds **Mr. J. L. Brook**, who retires as chairman and managing director on reaching normal executive retirement age.

*

Mr. Vic Lewis has been appointed sales director of the CALVERT WINE AND SPIRIT COMPANY.

*

Mr. Stanley D. Shepherd formerly managing director of Europa Insurance Company and Europ Assistance, has joined the Board of J. PERRY AND CO. (HOLIDAY INSURANCES).

*

Mr. Norman Philpot and **Mr. Peter Wilson** have been made joint managing directors of the LLOYD EXECUTIVE GROUP.

*

UNITED OVERSEAS BANK, incorporated in Singapore, is to open a London branch on August 18 and the following staff have been appointed: **Mr. Wee Guan Lee** (manager), **Mr. H. M. D. Woolley** (adviser), **Mr. Stanley Scott** (chief dealer) and **Mr. Teo Keng Thwan** (assistant manager).

*

Mr. J. B. Hollis has been appointed managing director of MATERIALS AND METHODS.

*

Mr. R. W. Chadwick is to be ERF sales director, following the retirement of **Mr. H. W. Sansum** from August 18.

*

Mr. Charles Howard has been appointed director-general of international department of the NATIONAL COAL BOARD.

*

Mr. Robert D. Z. Naggar was appointed a vice-president of MERRILL LYNCH PIERCE FENNER AND SMITH.

*

THE RICHMOND MACHINE TOOL COMPANY, a 600 Group subsidiary, has appointed **Mr. A. Rothwell** as director and secretary. Mr. Rothwell, who joined Richmond Machine Tool in 1974 as chief accountant, was previously with Ransome Hoffman Pollard.

*

Dr. Peter Jarratt, director of the computing laboratory in the University of Salford, has been appointed Professor of Computing and director of the COMPUTER CENTRE in the UNIVERSITY OF BIRMINGHAM. It is the first appointment to this new chair. He will take up the appointment on October 1 next.

*

DRAKE AND SCULL, mechanical and electrical engineering contractors, has appointed **Mr. Robert J. Lunt** as marketing director with special responsibilities for overseas business. He was formerly manager for developing markets for international air conditioning sales in more than 30 African and Middle Eastern countries for the International Division of Trane Company, La Cross and Wisc.

*

The Management Board of BMW of Munich has agreed to **Mr. Kenneth Thorogood** resigning as chairman of BMW CONCESSIONAIRES GB and becoming the company's president. Mr. Thorogood is chairman of TKM (HOLDINGS), the parent company of BMW Concessionaires. **Mr. Jonathan Sieff**, deputy chairman of BMK GB becomes chairman, while **Mr. Anton Hille** remains managing director.

*

Mr. J. A. Maskell has been appointed managing director of the U.K.-based MACLAREN AND SYSTEMS DIVISIONS of ITT CONTROLS.

*

Mr. Robert G. Terry has been appointed by THORN ELECTRICAL INDUSTRIES to be managing director of CRYPTO-PEERLESS, succeeding **Mr. F. L. Ingram**, who becomes non-executive chairman.

*

Mr. Bryan Ward has been appointed chief executive of the FPA CONSTRUCTION GROUP and chairman of the group's main subsidiary, Sheffield-based FPA FINNEGAN. Mr. Ward was formerly managing director of FPA Finnegan and a group main Board director for five years. He is succeeded as managing director at FPA Finnegan by **Mr. James Boswell**, formerly director in charge of estimating and surveying. Two members of the Finnegan executive team, **Mr. Fred Turner**, general manager construction, and **Mr. Michael Harrison**, chief surveyor, have been appointed directors.

*

DAVID CHARLES CONSTRUCTION reports three appointments to a new subsidiary, DAVID CHARLES CONSTRUCTION (NORTHAMPTON). Appointed as managing director is **Mr. H. George Erlandsen**, while **Mr. Anthony J. Merrey** becomes financial director and **Mr. A. Spencer Nichols** contract director.

*

ELDER DEMPSTER LINES has appointed three new directors. **Mr. James D. B. Bell** becomes trade director, U.S.A./West Africa; **Mr. Kenneth H. Birch**, trade director, Continent/West Africa; and **Mr. David Sykes**, trade director, U.K./West Africa.

*

It is reported from Seattle that **Mr. William J. Zunkel** has joined RAINIER NATIONAL BANK as a vice-president in the International Division. Rainier National Bank is the major subsidiary of Rainier Bancorporation.

*

ADVANCE LAUNDRIES announces that **Mr. R. A. Knight**, its company secretary and a director of the main subsidiary, ADVANCE LINEN SERVICES, and certain other group subsidiaries, will retire from active business at the end of the year in order to live abroad.

Communists opposed to worker directors

BY OUR LABOUR STAFF

BRITISH COMMUNIST PARTY leaders to-day spell out their opposition to the TUC's scheme for trade union based worker participation in industry.

The Party's national executive condemns the idea of worker directors in private industry as "class collaborationist in character."

Latest thinking on industrial democracy is set out among a number of draft resolutions framed by the executive and published to-day for the Party's congress in London from November 15-18.

The Communists' dislike of formal worker participation is shared by many non-Communists in the trade unions, resulting in some division over the TUC's proposed model. The TUC plan is one of those to be considered by the inquiry announced by Mr. Peter Shore, Trade Secretary, on Tuesday.

A long resolution on public ownership in the Communist Party agenda says that the most effective means of promoting worker involvement in decision-making is to extend the area of collective bargaining.

In the public sector, Boards should be made up of directors representing the workers directly, with others appointed to represent the TUC and the Government. Managers should be employed by the Boards.

But worker directors in private industry would "dampen the class struggle and lead to corruption of workers' representatives . . . primary objective is to enmesh workers in running industry to provide maximum profit for shareholders."

On the economic crisis, the executive says the Government is set on a disaster course, spelling catastrophe for the Labour movement and preparing the way for the return of the Tories.

ASTMS fails to end its own officials' strike

BY OUR LABOUR STAFF

SECRET TALKS to settle the week-old strike by officers of the Association of Scientific, Technical and Managerial Staff were broken off yesterday with no agreement in sight.

Both negotiating teams will now report back—the strikers to a meeting of all officers on Monday and the union "management" side to a regular meeting of the National Executive on Saturday.

The strike is over a decision by Mr. Clive Jenkins, the union's general secretary, not to renew the contract of a girl trainee officer. The strikers claim that there was no opportunity for properly presenting the girl's case.

TriStar check talks

MAINTENANCE MEN in British Airways' European division were meeting last night to hear the outcome of talks between management and union officials on their dispute over "flexibility" pay for pre-flight checks on TriStar jets.

British Airway has repeated its insistence that payments made must be offset against the naional £6 pay rise limit when the men come to negotiate their annual pay deal in December.

Earlier this summer the dispute—which was settled in principle before the anti-inflation White Paper was published—resulted in a shutdown of all British Airways' European and domestic services out of London Airport (Heathrow).

A second dispute, over job delegation payments, is unresolved because shop stewards say the payments should be exempt from the £6 limit.

British Airways, which is trying to introduce delegation of work on clearing wide-bodied aircraft before flight, has offered £1.60 a week (against the shop stewards' demand for £5) to be set against the limit.

Car parts plant peace talks

STRIKING WORKERS at the British Leyland components factory of Alford and Alder will hold a mass meeting to-day to consider the outcome of talks designed to settle their eight-week-old pay dispute.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● PROCESSING

Deep-freeze aids food grinding

INDUSTRIAL Processes Department of BOC and Henry Balfour and Company of Leven, Fife, have entered an agreement to develop and market a new cryogenic grinding machine for the food, rubber and plastics industries.

Balfour is an established manufacturers of material reduction equipment. The new machine will, however, be the first made by the company to use liquid nitrogen (temperature minus 196 deg C) to embrittle the material being ground.

A prototype of the machine, designed to produce a powder with particle sizes in excess of 150 microns, is nearing completion at Balfour's Leven factory. Trials are expected to take place during November this year.

The proposed particle size is relatively coarse in cryogenic grinding terms. But the ability of liquid nitrogen based systems to reduce power requirements and handle difficult materials, such as confectionery and rubber will make the new machine interesting in the food and other industries where sticky or flexible materials have to be pulverised.

Applications department, BOC, Raynesway, Derby DE2 7BD. Derby (0332) 61455.

Quick joins in pipework

FLEXI-JOINTS will join tube or pipe together without the necessity of having to flange, weld, swage or groove. They are suitable for applications where quick breaks are required in pipe layouts. All that is required for fitting and dismantling is a spanner.

Designed to accept vibration and shock and allow angular misalignment of up to 4°, they include a spacing sleeve which positions centrally over the ends of the two pipes. Gaskets are placed at either end of this sleeve and held in place by retainers. Clamps at both ends are then tightened by fasteners on to the sleeves and the gasket retainers so compressing the gasket against the pipes.

Flexi-Joints are available to fit tubes or pipes with OD's from 16 to 140 mm. (0.629 inches to 5.5 inches). In addition to straight joints, others are available for Crosses, T's, and both 90° and 45° elbows.

Smith and Johnson (Keighley), Goulborn Street, Keighley, Yorkshire. 053 52 65181.

● HEATING

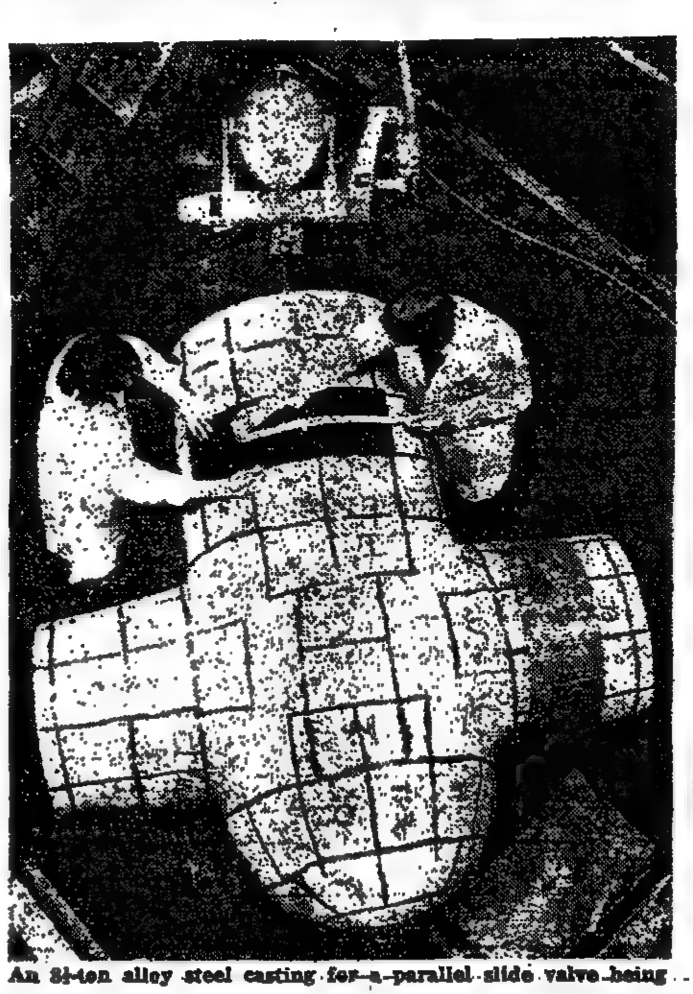
Uses waste heat from compressor

COMPRESSION processes are polytropic—in other words, if air is compressed, it gets hot. Most compressors have equipment for removing unwanted heat which can be equivalent to over 90 per cent. of the compressor motor horsepower being vented to atmosphere or piped into a drain without doing any useful work.

Development of industrial compressors with low noise levels (75 to 85 dBA at 1 metre) and acceptable appearance, enabling them to be installed within the factory, has led Ingersoll-Rand to provide means for using this waste energy for space heating during cold weather.

On its Pac Air range of compressors an air stream takes heat from the oil cooler and aftercooler. On the 75 h.p. unit this amounts to more than 200,000 Btu/hr — equivalent to the output of a modest oil-fired space heater. Previously it was vented to atmosphere, but now with the use of a minimal run of simple ducting the warm air can be circulated within the factory when the weather is cold, cutting the cost of space heating.

The company is at Bowater House, Knightsbridge, London, SW1.



An 8½-ton alloy steel casting for a parallel slide valve being prepared for examination in the nuclear quality control non-destructive testing area established by Dewrance and Co. at its Skelmersdale, Lancs., works. The casting is one of a range being examined during production of a series of high-pressure valves for a power station in North America.

● TRANSPORT

Brake tests without driving

CO-AXIAL displacement transducers manufactured by Pye Ether are being used on a brake analyser which has been developed by Crypton Triangle to test the braking systems of motor vehicles.

The brake analyser, the EJ29, enables garage mechanics to simulate moving conditions without taking the car out of the workshop. This type of test is being stipulated by the Department of the Environment for vehicle examination and all garages undertaking this work should be equipped with such a device by the end of 1979.

Two Pye Ether Series PD 20 co-axial displacement transducers are mounted either side of a roller which is free to rotate under no-load conditions, that is with the wheel of the car under test unbraked and in neutral. The roller is driven by a motor and gear box. When the brakes of the car are applied the roller is brought to rest and the system collapses against a force retaining spring arrangement. The transducers compress and a direct reading of the braking force is read out on a meter. The equipment will also indicate other braking defects such as oval drums.

Series PD 20 is a potentiometer type transducer with versions having up to 12 inches of travel. It is designed for severe operating conditions such as those found in garage workshops and is available in a number of standard resistance values. A fully rotating hard anodised spindle runs in an Oilite bush and the space wound potentiometer element has a triangular-shaped wiper which allows continuous rotation of the spindle, and very low contact resistance.

Pye Ether, Caxton Way, Stevenage, Herts. Stevenage (0438) 4422.

● ELECTRONICS

Hard-wired tester for boards

A RELATIVELY low-cost bench top unit for testing electronic components, circuit boards and other assemblies has been introduced by Ancom of Denmark House, Devonshire Street, Cheltenham, Gloucestershire (0242 53361).

Able to deal with 40 test points and readily extendable to 100, the Sentitest is basically an automated multimeter which switches its ranges and function according to a hard-wired program.

The item under test is held by a suitable jig, to make solderless contact with the required test-points, on top of a box section carrier which plugs into the top of the equipment. The carrier contains all the jigging and program logic for the particular item.

Program changes are made by simply interchanging carriers, so that with a library of suitable carriers a single Sentitest unit can cover a wide range of test needs and quickly be changed from one to another.

Intended for use by unskilled operators, the unit is operated by a single push button with go/no-go coloured lamps giving pass or high/low fault conditions. There is an analogue meter to help analyse faults when required. Data logging and alarm outputs are provided.

In the automatic mode up to 100 test points are scanned in about ten seconds and the machine can be set to re-cycle for life testing or to locate an intermittent fault. In the manual mode the test program is sequenced at the operator's own rate by the push button. A digital indicator shows which point is under test.

The company will program the carriers if required, but the objective has been to simplify this operation so that it can be carried out quickly and cheaply by customers' technicians. It involves only wiring of diodes and resistors with a soldering iron and the use of a digital voltmeter.

● CONFERENCES

Talking about metals

MODERN metallography in metallurgy is the subject of a meeting being organised by the Metals Society at Nottingham University, September 1-3. It is intended to provide a forum for papers covering all metallographic techniques, including electron microscopy.

Sessions will cover advances in metallography (keynote address on recent advances in scanning transmission electron microscopy); metallography of surface deposits; the role of metallography in the study of ordered structures; the role of metallography in the study of deformed metals (keynote address on the impact of metallography on the design of superalloys)—a total of some 44 papers.

In co-operation with Jernkontoret, the Society is organising a meeting in Sweden, September 9-12. There will be six technical sessions at which 17 papers (mostly on special steels) will be presented, and visits to three steelworks (Granges, Avesta and Fagersta).

Details from the Metals Society, 1, Carlton House Terrace, London SW1Y 5DB (01-839 4071).

Flexible cleaning conveyor

VIBRATORY de-watering conveyors by Bennett Swiftline strike a balance between efficient de-watering and good product flow so that the size of conveyor required for any given throughput can be kept to a minimum.

Produce is fed to the vibrator pan and then passes to a wedge wire screen which allows water to pass through for collection in a catch pan below the conveyor. The wedge wire screen can be supplied in different mesh sizes with screen wires aligned in the same direction as the product flow or laid transversely.

All contact parts of the unit are manufactured in stainless steel and it can be adapted to include rinse and de-watering facilities by the incorporation of overmounted sprays at the input end.

Bennett Swiftline is at The Avenue, Industrial Estate, Rubery, Birmingham B45 9AL.

Slitting plastics

A WEST German kitchen furniture manufacturing company has improved stocking problems at its Schorndorf, Bad Wurtemburg, factory, with a British slitting machine bought at this year's Hanover Fair.

Brookes (Oldbury) — a TI Machine Division company — exhibited its 610 mm. slitter and sold it to Schock and Co GmbH who will use it to slit plastic laminates. The machine enables production sizes to be cut when required from a single wide strip. It also simplifies ordering, stock control and production planning.

All types of material can be handled by the unit, ferrous and non-ferrous metals, plastics and fibre. Accuracy is ±0.05 mm. on slit widths from 3 mm. upwards. The machine is rated to accept material from 0.127 to 1.625 mm. thick and coil weights up to 750 kg., in mild steel.

The maker is at Brades Road, Oldbury, Warley, West Midlands B69 2DL (021552 5311).

● AUTOMATION

Fixed range positioner cylinders

SQUARE BODIES, mains and pilot air connections at the back of the unit, and servo-control connections and force balance spring integral within the unit, are all features of two new fixed range positioner cylinders introduced by Martonair, St. Margarets Road, Twickenham, TW1 1RJ. The company says these features are important where hygiene is a factor and the equipment has to be kept clean.

These units are 2½ and 4 inch diameter, and are available in standard stroke lengths of 75, 125 and 200 mm. Inlet post size is ¼ inch BSP and supply port ¼ inch BSP. Inlet supply pressure 2-10 bar, and control signal range 0.2-1.04 bar.

هكذا من الاعلام

The Executive's World EDITED BY JAMES ENSOR

Despite the early efforts of Robert Owen and John Lewis, British business is less democratic than Swedish or German James Ensor suggests

Britain no longer leads in workplace democracy

MR. PETER SHORE'S ambitious plans to introduce legislation to promote industrial democracy within two years have been roundly attacked by the CBI. Yet it is hard to see any intellectually valid objections to the principle. For the legislation will only bring Britain into line with the more socially and industrially advanced countries of Europe—that is to say Sweden, Germany and the Netherlands.

German industry has been used to the principle of Mitbestimmung for years and most German industrialists accept it as a natural order. The Aufsichsrat or Supervisory Board of a German company, on which directly elected worker directors sit has the power to dismiss the entire Management Board, or Vorstand, if it votes in censure. At the annual general meeting, it is the chairman of the Aufsichsrat who answers shareholders questions; though he may invite the chairman of the management board, or the chief executive to answer in his place.

Two forms of participation: Mrs. Joan Courtney, John Lewis branch council member (left) and the men behind the Meriden Co-Op, Mr. Bill Lapworth, Mr. Dennis Johnson and Mr. John Gratton.

Trevor Humphries

In most successful public companies neither the worker representatives, nor the other members of the Vorstand (who are primarily bankers and industrialists) often exercise their rights.

Volkswagen

But in the coal and steel industry, where worker directors compose half the board or in part state-owned companies where political representatives may side with the workers, they can exercise a powerful right of veto. At Volkswagen, for instance, an alliance of worker directors and Social Democrat appointees representing the State and Land governments was instrumental in the dismissal of two managing directors, Herr Kurt Lotz and his successor Herr Rudolf Leiding.

In Sweden, worker representation and consultation at all levels of decision-making, whether in the planning of the layout of a new plant or in agreeing investment plans, is widely accepted. It is true that the Swedish unions tend to take a rather docile—by British standards—view of the business operations and work to help rather than oppose management. Nevertheless they can present opposition to company plans, which has to be diplomatically rather than dictatorially dealt with—as for example when Volvo aroused opposition through its heavy investments outside Sweden.

With 90 per cent. of Swedish workers in trades unions and a close affiliation between the LO (Confederation of Trades Unions) and the ruling Social Democrat party, worker democracy has strong political support in Sweden. Nevertheless it was not until the 1971 TUC Congress that the movement really gained momentum. A call issued then for greater worker involvement in decision making has been followed by a spate of legislation.

Swedish workers now have the right to know almost everything about the concern that employs them and to be consulted about investment, work place changes and redundancies. Another Congress to be held next year is likely to issue a demand that workers become part-owners of the corporate assets, perhaps through special funds administered by the unions. They are also likely to ask that the system of worker representatives on the Boards, which has been tried in various pilot projects, be extended to all companies employing more than 100 people.

In France, President Giscard d'Estaing summoned the former Education Minister, M. Pierre Sudreau, to his office within days of entering the Elysée Palace and charged him with finding ways of promoting industrial democracy and bringing French industry up to the German and Swedish standards. The Sudreau plan proposed co-surveillance of French industry, a milder form of power than that proposed by the unions, yet more than the anodyne participation proposed by industry.

Trojan horse

Although most of the details of numbers, powers and electoral methods have still to be worked out, France will have workers on the Boards of its main companies within a few years, despite the overwhelming opposition of the Patronat — France's CBI. More radical proposals, such as the initiative taken by the State-owned Regie Renault to promote worker shareholdings some years ago, have fallen on less fertile ground. The unions, particularly the Communist-dominated CGT, remain implacably opposed to what they see as a "Trojan horse" of capitalism entering their ideological citadel.

Most of the major Continental countries, therefore, have moved farther along the road to Government-instituted worker democracy than Britain. In Britain, on the other hand, there has been a long tradition of democracy at the workplace, fostered by a small number of pioneers, from Robert Owen to John Lewis and Ernest Bader. More recently the workers' co-operative movement at Meriden, IPD and the Scottish Daily News has been directly encouraged by the Government, through Mr. Tony Benn who argued that the workplace (and the civil service) was the one truly undemocratic organisation left in British life).

Because of the absence of formal legislation, worker democracy in Britain has been allowed to flower in many different forms. At Meriden, for instance, the eight unions involved in the plant provide eight representatives for the management board, on which a salaried manager also sits as well as one representative from outside industry and one from the Government. Intriguingly enough, the eight directors resolved not to appoint a labour relations manager, feeling that such a post would be superfluous in their type of organisation.

At the other extreme, Mr. Carl Duerr the turn around man and management philosopher has persuaded his co-directors to set up a Supervisory Board at Bonser, the company of which he is chief executive. But the workers representative is co-opted rather than elected because Duerr says that the last thing that is wanted is a board room politician who will put the workers demands ahead of their needs. Since the managers themselves sit in a non-executive capacity on this Board, it would not be permitted in Germany.

At Scott Bader, the 400 employees control affairs through a holding company to which the founder Mr. Ernest Bader donated his shares in 1951. Distributed profits, which are limited to 40 per cent. of the post-tax total, are divided equally between the members irrespective of rank, with an equal amount being donated to charity. A community council, elected by the members, approves the appointment of directors and sets their remuneration and discusses the financial results and the allocation of profit.

As the company has expanded, many of the newer recruits have come from further afield and were unaware of Scott Bader's constitution. It seems unlikely that it has played a major part in recruitment, therefore, although Scott Bader does pay above average rates to unskilled workers and below average to its managers. The employees, however, do take their role seriously and elections to the community council usually result in an 80 per cent. turn-out. Two of the members of the community council in turn serve as worker directors on the management board.

John Lewis

The John Lewis Partnership is easily the largest organisation practising worker democracy in Britain, dwarfing with its 23,000 members even the Co-operatives at Meriden and Liverpool. A central council, elected partly by the partners and partly co-opted by the chairman has considerable power to take decisions affecting the operation of the shops. There are also local councils at each of the stores and branches which provide recommendations on local matters.

John Lewis has taken democracy a stage further by establishing committees for communication which represent a group of partners and provide a forum for staff to discuss their grievances and make constructive proposals to somebody with direct access to top management. The committees meet half a dozen times a year and open discussion is encouraged with criticisms published, subsequently, in an anonymous form.

It is probably no coincidence that the staff attitude to customers in most of the stores of the John Lewis Partnership is notably better than that of its competitors. For if the staff are encouraged to discuss their own problems openly and sensibly, they are likely to be more tolerant of customer problems, too. As in Scott Bader, profit sharing makes each man or woman's bonus directly dependent on results.

Democracy, of course, works better at some levels than others. Most organisations now accept that staff or elected representatives should be consulted over changes that affect the working environment. But few will go so far as to allow the workers a role over determining the actual nature of the product produced—as is the case with the Scottish Daily News Co-operative where editorial policy is open to discussion—or to elect their own management. In some cases, such as the Lip watch-making plant in France, when workers' delegates have chosen an operational manager, he has then opted for a traditional paternalistic style of management as being the only way to get the job done.

Japanese

Many companies have managed to combine an essentially autocratic form of top management with a great deal of discussion and participation in decision making by those involved at lower levels. It is one of the outstanding features of Japanese corporate life that decisions are commonly made by up to a score of managers, in a form of concensus bargaining, where perhaps only a few individuals actually voice opinions but many others feel that they have participated.

One of the outstanding strengths of the IBM sales force, too, has been that in an essentially autocratic company, great pains are taken over the appearance of consultation and discussion with junior members of the team in an entirely formalised series of monthly and annual meetings.

Many British companies, too, already practise various forms of participation and discussion — the Mond division of ICI, Pilkington and Cadbury-Schweppes being outstanding examples. Often these groupings are entirely independent of and separate from the hierarchy of the trades union in the company. Indeed in the British situation, where unlike the Swedish, there is not an automatic identity of the employee with one particular union there is clearly a danger in trying to impose one form of workers' democracy on top of a sometimes very undemocratic shop steward and union structure.

Mr. Shore will have to tread very carefully if he is to avoid destroying the natural flowering of workers' democracy which has grown naturally in Britain by imposing a rigid formalised, Government-established structure, which may be less appropriate to real needs.

CBI INDUSTRIAL TRENDS SURVEY

Companies shedding staff at faster rate

BY HAROLD BOLTER, INDUSTRIAL EDITOR

THE LATEST industrial trends survey from the Confederation of British Industry shows U.K. companies are now reducing employment on a scale not seen before in the history of the inquiry, which dates back to 1958.

Nevertheless, although pessimism about the general business situation remains widespread, the CBI feels there is a faint light at the end of the tunnel.

Although the confederation feels there may be worse to come before the recession is over, it can at least see a few more optimistic signs than were in evidence when its last trends survey was produced three months ago.

In a sense, this feeling is based on instinct rather than on the actual results of the survey, which are still dispiriting.

Investment intentions remain weak, although it appears that the rate of deterioration is slackening.

Below-capacity working, affecting three-quarters of manufacturing industry, is more general than during the "three-day week" last year or at any time in the 1960s.

Lack of orders or sales threatens to limit production for more than eight out of ten of the 1,943 companies which took part in the study.

Pressure

Although the upward pressure on unit costs and prices continue, the trend appears to be easing slightly as far as prices are concerned.

There is some concern about the chances of an export-led economic recovery, however.

There is no evidence of any real confidence over export prospects in the next 12 months —partly because of prices and partly because other countries are also in recession—and the short-term trends in the value of new export orders are unfavourable.

Apart from their answers to specific questions many companies made a point of emphasising that they are operating within an exceptionally difficult climate.

In all, as expected, the survey shows that manufacturing industry has moved deeper into recession.

Unused or under-used capacity is already more common than at the trough of the 1971-72 business cycle and yet, if the pattern of the past holds, an increase in manufacturing activity is unlikely to become evident this year.

Indeed, the CBI believes it will be well into 1976 before a recovery is under way and the unemployment of men and of industrial capacity will continue.

What worries the confederation is there are already signs that in some quarters the arguments for reflation are being rehearsed.

The CBI accepts that this is perfectly understandable in circumstances where unemployment is rising exceptionally rapidly, where investment intentions are poor and where there are now at least hopes of bringing inflation under control, and where the balance of payments position has improved rapidly.

But, as the Confederation observed at the bottom of the last downswing in January 1972, "confidence in the future will be greater if the expansion is limited to a rate that can be sustained for a number of years."

The same is true now, only more so, the CBI now says. The problems are more acute than three and a half years ago.

Demand

Although there is now a policy for controlling inflation through pay limits, the objectives of which are supported by the CBI, despite the doubts it has about certain aspects of the policy, the Confederation feels it will be some time before it is clear that inflation is being reduced.

The balance of payments improvement, reflecting as it does heavy destocking, is far from secure, the confederation feels. Therefore it is convinced that there should not be any new policies to reflate demand.

That being so, industry faces a period of low demand which should be tempered to the extent that world trade recovers through 1976 and with it demand for U.K. manufactured exports.

It would be unwise, the CBI says, to rely on growth in demand for U.K. exports unless industry is better able to control costs, so preserving price competitiveness and can overcome its reputation—albeit anecdotal—for difficulty in meeting competitive delivery dates arising from inefficient working practices.

A feature of the movement into recession on this occasion, the Confederation suggests, is the scale of bankruptcies and labour shedding that is taking place.

These dangers were forecast by the CBI, which pointed to a host of reasons why this was likely to happen—a lack of confidence about the general business situation arising from a number of political uncertainties; a prolonged period of inadequate profitability; widespread and serious liquidity difficulties; and, of course, wages inflation.

The message now is basically a simple one, the Confederation argues:

"If inflation is brought under control, manufacturing employment will still fall, over the immediate future, but less rapidly, with a tangible prospect of recovery thereafter.

"But if inflation is not brought under control the consequences for employment, investment and the balance of payments will be worse to a degree considerably beyond post-war experience."

An analysis of the survey's detailed results shows that increased pessimism about the business situation is a particular feature of the capital goods sector of manufacturing industry, although it is apparent in all of the broad industry groups.

The number of companies working below a satisfactory full rate of operation has increased from 71 per cent. in the CBI's April trends survey to 75 per cent. when the latest study was carried out between July 7 and 23.

Once again, below capacity working is more common among the largest companies—those with more than 5,000 employees—and slightly more frequent among producers of consumer goods than among firms in the capital or intermediate sectors.

Despite rising prices, almost half of all the companies taking part in the survey have experienced a fall in the value of new orders over the last four months.

The intake of orders has been slow, especially among the smaller concerns—those with fewer than 200 employees—in the capital goods sector and in the metals and metal manufacture group.

Forecasts

The short-term forecasts for the value of new orders indicate that a similar pattern will continue, but there are a few exceptions, notably in the drink and tobacco and printing and publishing industries, where the prospect appears somewhat brighter than in recent months.

Trends in stockbuilding appear to be consistent with the other evidence of the current survey and its immediate predecessors.

As forecast in April, a large number of companies have reduced their stocks of raw materials and brought in supplies, and a large number expect to carry on doing so.

Consistent with the picture of a continuing reduction in activity in manufacturing industry as a whole, is the trend in the number of concerns citing lack of orders or sales as a major factor likely to limit output over the coming four months.

In October 1973, around the peak of the last upswing, this was a potential constraint for only a quarter of the companies taking part in the study.

Now it is quoted by 82 per cent. of the participants, a figure exceeded only once in the 15-year history of this particular series.

As far as manufacturing employment is concerned, the overall picture is of a continuing sharp reduction. Once again, the number of companies reporting a reduction in numbers employed is a record, and there is a strong indication of further redundancies to come.

On balance, 39 per cent. of the participants in this survey expect capital expenditure authorisations on buildings to be lower in the next 12 months than in the past 12. For investment on plant and machinery, the comparable figure is 24 per cent.

These figures are slightly less unfavourable than the results of the April survey, just as the April results were less gloomy than those recorded in January this year.

At the same time, the indications are there will be a further fall in manufacturing investment next year, following a substantial fall this year.

Confident

Investment intentions appear to be less depressed among the larger concerns and among the manufacturers of capital goods than in other sectors.

Some 89 per cent. of all the companies taking part report an increase over the past four months in average costs per unit of output and only one per cent. report a fall.

There is no real sign of any alleviation: a balance of 84 per cent. of the companies expect unit costs to continue to rise between now and November.

Although companies are still very pessimistic about their export prospects, they are slightly more sanguine than they were four months ago.

Nevertheless, short-term trends in the value of new export orders are weak. Indeed, the balance of 22 per cent. reporting a fall over the past four months is the highest on record and the situation has been particularly unfavourable among the largest companies and the producers of capital goods.

Looking ahead, only a small balance of exporters expects an increase in the value of new orders over the next four months, although some of the industry groups—notably food, drink and tobacco—appear somewhat more confident than in the April survey.

From the survey's results, the prospects for an increase in export deliveries appears to be more encouraging than in January or April, but below average for the historical series.

Finally, the survey is noteworthy for its indication that companies are making a determined effort to establish or expand overseas sales.

DETAILS OF TRENDS

TOTAL TRADE—1,943 respondents. All figures are percentages based on a weighted sample. Figures in parentheses show the response to the survey carried out last April.

	More	Same	Less
Are you more, or less, optimistic than you were four months ago about the general business situation in your industry	7 (6)	50 (44)	42 (50)

	More	Same	Less	N/A
Do you expect to authorise more or less capital expenditure in the next 12 months than you authorised in the past 12 months on:				
(a) Buildings	12 (12)	25 (25)	51 (54)	11 (9)
(b) Plant and machinery	23 (22)	29 (29)	47 (49)	1 (1)

	Yes	No	N/A
Is your present level of output below capacity (that is, are you working below a satisfactorily full rate of operation)	75 (71)	[illegible] (28)	2 (1)

Excluding seasonal variations, what has been the trend over the past four months, and what are the expected trends for the next four months with regard to:

	Trend over past four months				Expected trend over next four months			
	Up	Same	Down	N/A	Up	Same	Down	N/A
Numbers employed	7 (10)	34 (39)	58 (50)	— (—)	7 (8)	48 (46)	45 (46)	— (—)
Value of total new orders	20 (23)	27 (21)	48 (53)	4 (2)	23 (21)	44 (43)	29 (34)	5 (2)
Value of output	42 (45)	29 (24)	28 (30)	1 (1)	38 (39)	42 (41)	19 (19)	1 (1)
Stocks of:								
(a) Raw materials and brought in supplies	19 (27)	33 (32)	45 (40)	2 (2)	10 (12)	48 (44)	40 (43)	2 (2)
(b) Finished goods	24 (31)	36 (32)	29 (25)	11 (12)	14 (15)	46 (39)	30 (34)	11 (12)
Average costs per unit of output	89 (91)	9 (7)	1 (—)	1 (2)	85 (88)	13 (10)	1 (1)	1 (2)
Average prices at which domestic orders are booked	62 (72)	29 (22)	5 (5)	4 (2)	64 (64)	28 (31)	4 (3)	4 (2)

What factors are likely to limit your output over the next four months? Please tick the most important factors. Orders or sales 83 (78), skilled labour 14 (16), other labour 2 (3), plant capacity 7 (7), credit or finance 7 (12), materials or components 9 (10), other 3 (5).

EXPORT TRADE

Firms completing these questions have direct exports exceeding £10,000 per annum. Number of respondents 1,424.

	More	Same	Less
Are you more or less optimistic about your export prospects for the next 12 months than you were four months ago	20 (13)	52 (45)	28 (42)

Excluding seasonal variations, what has been the trend over the past four months, and what are the expected trends for the next four months, with regard to:

	Trend over past four months				Expected trend over next four months			
	Up	Same	Down	N/A	Up	Same	Down	N/A
Value of new orders received for exports	23 (30)	29 (23)	45 (46)	3 (1)	23 (31)	52 (39)	31 (29)	3 (1)
Value of export deliveries	45 (36)	35 (30)	27 (34)	1 (1)	38 (38)	41 (38)	19 (23)	1 (1)
Average prices at which export orders are booked	57 (57)	31 (31)	9 (10)	2 (2)	60 (57)	31 (36)	6 ([illegible])	3 (3)

What factors are likely to limit your ability to obtain export orders over the next four months. Please tick the most important factor or factors:
Prices (compared with overseas competitors) 58 (58), delivery dates (compared with overseas competitors) 16 (20), credit or finance 12 (11), quota and import licence restrictions 13 (13), political or economic conditions abroad 55 (52), other 8 (8).

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Light a long way off

THE GENERAL TENOR of the response received by the Confederation of British Industry to its July survey of industrial trends emerges from the answers given to the first and most far-reaching question of all, about attitudes to the business outlook. It is true that only 7 per cent. of the firms questioned are more optimistic now than they were four months ago and that 42 per cent. are less optimistic: the situation is evidently no better. On the other hand, half the firms questioned felt neither more nor less optimistic than at the last count and the 35 per cent. balance on the side of pessimism must be compared with pessimistic balances of 44 and 63 per cent. at the two previous inquiries. It seems reasonable to conclude that business confidence in the immediate future is still declining, but at a slower rate.

Most of the answers given to detailed questions give more obvious support to the continued decline in confidence than to the apparent slackening of its pace. The proportion of firms working below capacity has risen further to 75 per cent. and the forecast level of new orders over the next few months is lower than at the time of the last survey: this forecast, moreover, is in value terms—almost half the total number of firms replying have experienced a drop in the value of orders received over the past four months despite the effect of inflation on prices.

Price outlook

Output, therefore, has fallen and is expected to fall further. But although a balance of 28 per cent. of the firms reported a drop in the volume of output over the past four months, one of only 11 per cent. forecast a drop over the next four: here again, a slight note of decreasing pessimism if not of increasing optimism seems to be creeping back into the returns. The main constraint on the level of production, of course, is now lack of demand, which was mentioned by only a quarter of the respondent firms at the peak of the upswing, in the autumn of 1973, but is now mentioned by an almost-record proportion of 82 per cent. So far as export markets in particular are concerned, the same slight conflict of opinion is apparent. The balance of pessimism about the outlook has dropped quite sharply since the two previous surveys, but the general trend of orders is weak and by far the most common restrictions on export orders to be mentioned are relative prices and economic conditions abroad—two factors which are not easy to disentangle from one another.

Experience of costs and prices seems to have been more mixed recently, but 89 per cent. of all the firms questioned report a rise in average output costs over the past four months and only 1 per cent. report a fall: the only consoling feature of this position is that the large balance of 88 per cent. is actually slightly lower than for 18 months past. But although 84 per cent. of firms expect costs to go on rising, only 57 per cent. report an increase in the prices at which recent new orders have been booked and only 60 per cent. (the lowest figure for nearly two years) are expecting to raise prices in the immediate future.

Skilled labour

Since the Chancellor's proposals were announced in between the sending out of the questionnaires for the latest survey and the closing date for answers, it may well be that the general attitude of businessmen has been affected to some extent by the prospect of greater control over the size of wage settlements as well as by the slower rise in other input prices: certainly the low level of demand both at home and overseas seems likely to have a depressing effect on profits unless the Government's wages policy is strictly enforced.

Two points of interest for policy arise out of this latest CBI Survey. The first is that, even with the present high level of unemployment, 14 per cent. of firms (mainly at the heavier end of industry) expect their output to be restricted by shortages of skilled labour: more emphasis still on training is plainly needed. The second is that a relatively high proportion of firms report investment opportunities which would be profitable at current interest rates but will be held back by a shortage of internal finance. Despite the liquid situation of the banking system, in other words, a revival in investment will be largely dependent on a revival in profits.

The limits of 'Cash Limits'

ANY HOPE that the introduction of "cash limits" into public spending would mark a revolution in economic managements should have been effectively punctured by the Treasury's evidence to the Expenditure Committee. These limits are to be used as an adjunct to the existing "volume" control. The Treasury will continue to work in terms of a five-year rolling plan "in real terms": but the first-year allocation for a still-to-be-determined fraction of the programmes will be translated into cash terms.

Ministers

The witnesses were reluctant to commit themselves on whether these cash limits would be a ceiling, a target or a forecast: but they seem to be nearest to the last of these. The Treasury is pinning its hopes on the incomes policy sticking and on being able to forecast the non-pay components of spending. On the crucial question of what would happen if the limits were exceeded, say, nine months through the year, the buck was passed to "Ministers" who would have, as usual, to decide.

There is little doubt that in most circumstances, let alone a severe recession, it is the cash limits that would give way. The more practical question is: will Ministers have early notice that this is happening. After all, many companies have a monthly monitoring system for the purpose. There is nothing that spending departments would like better than to be able to ask politicians whether they would want hospitals to stop administering drugs to patients or to dismiss a couple of thousand doctors and dentists. The object of a monitoring system should be to give enough early warning, so that the option of making effective manpower cuts is not foreclosed.

The Committee was suprised that no limits on payroll would be introduced for the latter half of 1975-76. But the reason is clearly that as the Treasury relies so heavily on the £6 pay limit, it saw no need to do so. A payroll approach would have been an alternative, under which public sector employees would have a choice between pay and jobs; and it would have fitted naturally with the "quick kill" brand of monetary control. There is no point in pretending that such an approach is being followed, when Ministers and officials have declared their opposition to it in the clearest possible terms.

Economics

What then can be reasonably expected from the longer term development of cash limits? It would clearly not be desirable for expenditure on the Health Service to be cut by three-quarters in 1980 if the price level has quadrupled. The present procedures are, however, likely to lead to the opposite outcome; however fast pay and prices in a particular part of the public service rise, expenditure tends to rise in full proportion. The need is for a system whereby spending programmes can rise in the longer term as fast, but no faster, than the rate of inflation; and under which unexpected cost increases, whether due to wages or not, have to be met by economies, unless a very exceptional case can be made. If this were done there would be less need to work in terms of funny money, while inflation could still be taken into account.

Planning agreements toned down to a low key

BY COLIN JONES

IF PLANNING agreements are ever going to live down the abrasive manner with which the concept was launched into political debate in this country and to play a useful new role in the dialogue that takes place between Government and industry, the "discussion document" on planning agreements in practice issued by the Department of Industry yesterday should help to make that change of atmosphere possible. In it there is none of the doctrinaire approach which characterised the discussion of the idea in Labour's 1973 *Programme for Britain*. There is only one passing mention of the possible future activities of the National Enterprise Board, and no mention at all of companies being compelled to disclose information. The tone throughout is very low-key.

A planning agreement between the Government and an industrial company, the document takes pains to emphasise, will be an entirely voluntary exercise, based at all times on consent. The arrangements the Government will seek are to be simple and flexible and based, as far as is possible, on each company's own existing planning arrangements. The build-up will be modest and piecemeal, and the approach throughout will be pragmatic. Each agreement will represent a statement of the intentions of the two sides, but the limitations are recognised at the outset; neither side can be expected to make a binding commitment, save where the Government undertakes to maintain a certain level of regional assistance to a particular company under the Industry Act and even then it is implicitly understood that no Government or Parliament can bind its successor.

Practically feasible

Eventually, the Government is hoping planning agreements will be reached with up to about 100 companies in the private sector, as well as with the major State-owned industries. But the build-up will be tailored to what is administratively and practically feasible, both for the companies and for the Government, and the Government will be content if the number of agreements reached in the first 12 months is around the 15 mark with the full complement of 100 being reached by, say, the fifth year.

No companies have yet been specifically selected, nor have any formal invitations yet been made, but exploratory discussions have already begun with a number of companies. The Department of Industry is naturally hoping that most of the larger companies which have long been accustomed to conducting a regular, informal dialogue with Whitehall will be prepared to take part in these new more formal arrangements. In addition, the DoI has been casting its eye on those sectors of industry where there is a background of reliable information as a result of the activities of "Little Neddies" and trade associations as well as over those sectors which a small number of large companies tends to dominate.

The new pragmatic, piecemeal approach can also be seen in the Department of Industry's outline in the discussion document of how it believes each individual agreement might be developed. An annex to the document lists the matters which might form part of the content of an agreement: they include the general economic prospect and its possible implications for the company and its sector of industry; the company's broad strategy and longer-term objectives; its sales performance and targets, by main product group, at home and abroad; its investment intentions, manpower needs, productivity performance, and industrial relations practices; its pricing policy, financing, product development programmes; and its policies and practices towards consumers and the community at large.

The DoI recognises, however, the company and the Government will have their own different objectives and priorities, and that it will not be practical at first to give equal attention to every subject area. In the first year the aim would be to concentrate on the most urgent points, gradually extending the scope of the agreement in subsequent discussions. It may take two or three years, the document states, before an agreement reaches a full stage of development. Moreover, while it is envisaged that the main consultations will take place annually—timed to coincide with the company's own planning cycle—the idea of creating a "closer continuing relationship" with individual companies would be frustrated if consultations were to be restricted by narrowly defined procedural arrangements or if they were unduly dragged out.

The desire to make the whole idea of planning agreements more acceptable to industry can again be seen in the role the discussion document envisages for the trade unions in the new system and in the fact that planning agreements will essentially be a two-way process. The Government wants to see more companies informing their employees of their corporate hopes and ambitions, particularly in so far as these have a bearing on future job prospects, but trade union representatives from companies will not formally be parties to planning agreements.

They will be informed when discussions that are likely to lead to a planning agreement are about to begin. They may take part "where they so wish" in consultations on planning agreements with the Government. But, since "it is likely that workers will wish to pursue particular issues in far more detail than is possible at Government level, it is envisaged that this wish will be met by arrangements within the company for the plans to be drawn up by management in close consultation with trade union representatives from the firm."

While this does not represent a departure from the terms of last year's White Paper—indeed, the discussion document in part uses the identical wording—the nuance is made somewhat stronger. Discussions leading up to a planning agreement are expected to take the form of two dialogues—between company and trade unions, and between company and Government—which may take place in parallel or, more probably, in series. There will be no tripartite negotiations as such: the Government recognises, and is implicitly saying that trade unions will also recognise, that the final decision on a company's plans and objectives is essentially a managerial prerogative. At the same time, the discussion document, unlike the White Paper, remains totally silent on the question of the Government using its power to compel companies to disclose information to trade unions and employees, even though these powers are contained in the Industry Bill (subject to whatever changes may still be made—or restored — before that reaches the Statute Book).

The idea clearly is to try, even at this relatively late stage, to muster industry's confidence in the concept of planning agreements. This is essential if the attempt to extend and formalise the dialogue that already exists between Whitehall and many large companies is to get off the ground. Given the pragmatic, modest approach outlined in the discussion document there is no reason, in principle, why a planning agreement system should not yield some gain.

As the document points out, companies will be prepared to take part only if the system is likely to offer them some real benefit—which, sensibly conducted, it could do. It might give companies a clearer insight into Whitehall's own thinking. It could provide them with a chance to influence Ministerial policies—to educate politicians and civil servants into a better understanding of industry's particular needs and problems. There could even be some tangible financial rewards if companies are able to align their own investment, employment, and research and development programmes with particular Government objectives. In return, the Government could expect to have a clearer idea of industry's own forward thinking, which it could feed into its forecasts and policies, and it might be able to persuade individual companies to adapt their plans so as to help in the realisation of particular Government objectives in the field of regional development, import saving, export promotion, manpower re-training, and the avoidance of supply restrictions in certain products.

Voluntary option

It is equally clear, however, that there are many dangers and risks which could lead to the whole concept collapsing in ignominious failure. Will planning agreements be genuinely a voluntary option, for example? What would happen if certain trade unions were to begin pressuring companies into making a planning agreement? Would Ministers be tempted to use their powers of compulsory information disclosure to force recalcitrant companies into conforming? Would Ministers also be tempted to force planning agreements upon companies which, having previously refused an invitation to enter into an agreement, subsequently apply for selective assistance under the Industry Act? The impression given by the tone in which yesterday's document is written is clearly No; but who can yet tell?

There is also the question of whether this or any subsequent Government will be prepared to deliver its part of the planning agreement bargain. By this I do not mean the contribution that the Treasury and other departments might be able to make at the technical level of a company's economic and market forecasts. More specifically, are Ministers really prepared to listen to companies' views on their particular problems, hopes and needs, and to modify their policies accordingly, in so far as it is practicable for them to do so?

From industry's point of view, this will be the crucial test. Because of the differing time-scales on which business and Governments operate, because of Ministers' sensitivity to the passing political issue, and because of the lack of continuity (or, if you like, capriciousness) in Government policies even within the lifetime of a single Parliament, industry has often found its pleas disregarded and its needs ignored.

Fundamental point

There is a more fundamental point here. So much of the dialogue between Government and industry in the past, at Ministerial level rather than perhaps at official level, has been of an adversary nature. Deep down, there has been a mutual lack of understanding, a lack of empathy which sometimes develops undertones of hostility, even during Conservative administrations which are commonly supposed to have more affinity with business. On the Labour side, there is an underlying mistrust of the market economy system.

This is in sharp contrast to the French planning agreement system, where the two sides enjoy a real sense of partnership, sharing the same attitudes, modes of thought and outlook, come from the same social background and may even come from the same *grands écoles*. (The French system, incidentally, is also based upon the sectorial approach in which collusion between rival firms or at least some element of *entente* forms a crucial part.)

Above all, perhaps, will Ministers be prepared to approach planning agreements with a genuine willingness to negotiate and bargain, or will they be tempted to cajole and pressure companies into pursuing objectives that meet a particular political need yet are inimical to an industry's longer term commercial interests? The element of selectivity in a planning agreement system and the substantial financial incentives that can be handed out as a reward for "good behaviour" substantially widen the powers of Ministerial discretion and the scope for arbitrary judgments. They are powers that need to be used with every possible circumspection.

HOW THE GOVERNMENT OPENS THE DISCUSSION

‘The Planning Agreement relationship between the Government and a company will be wholly voluntary, based on consent. Its development will therefore depend inter alia on the value which companies come to attach to it. . . .

‘But in the long term, one of the principal benefits of Planning Agreements is likely to lie in the opportunity they will provide the Government across the whole field of its activities to attune its policies to the needs and plans of industry. This increased sensitivity will develop through a closer understanding of industry's problems and planning objectives and from the opportunity which the Planning Agreement discussions will provide to companies and to workers to make their views known to Government and to influence the Government's own policy thinking at a suitably early stage. . . .

‘Trade union representatives will be informed of the initiation of any discussion whether the initiative is taken by the Government or the company. But it is likely that workers will wish to pursue particular issues in far more detail than is possible at Government level, and it is therefore envisaged that this wish will be met by arrangements within the company for the plans to be drawn up by management in close consultation with trade union representatives from the firm.’

MEN AND MATTERS

Clague's Hong Kong troubles

"I am." Sir Douglas Clague has claimed, "Hong Kong's Rock of Gibraltar." The rock's base, Hutchison International, has been looking powdery in parts for a year or more, and yesterday's virtual ultimatum from the Hongkong and Shanghai Bank seemed to indicate only a non-executive role for Clague if the bank's rescue scheme goes through. For Clague, a big personality in every way, this will be the sharpest and perhaps final test of nerve.

He has survived others, such as defying sceptics to get plans for the Kowloon-Victoria Island road tunnel accepted. He came out of that well, even if when the company was floated off most of the shares went to the underwriters. And the breakthrough which led Hutchison to a claimed position among the other "hongs"—Jardine Matheson, Wheelock Marden and Butterfield and Swire—certainly took nerve. In the Chinese riots of 1967, with share prices dropping, Clague borrowed wherever he could and suddenly emerged as controller of much of the waterfront.

He has enjoyed his success, having risen to it from a start in the Isle of Man, a war being dropped behind Japanese lines and a Hong Kong grounding working for Wheelock Marden. It is the original interests of John D. Hutchison, the company he first managed for, and then bought from Wheelock Marden, that are thought to contain the soundest prospects in the now hugely increased group.

With a military moustache and manner, a carnation in the buttonhole, Clague carried with him an aura of Imperial days as he straddled the roles of business entrepreneur with local politician (a member of the executive council) public servant (head of the auxiliary police force) and sports patron (chairman of the Jockey Club).

In sport, with an estate at Fanling near the Chinese border and many racehorses in Britain and Ireland, he showed the same love of acquisitions as at Hutchison. In 1971 he set the European auction record for a yearling, paying 117,000 guineas for Princely Review. Despite bloodstock inflation that record still stands, but Princely Review proved very slow.

Whether Clague can continue to show such obvious enjoyment in life may be in doubt. Hutchison, with no meaningful figures available for 16 months, is, at the least, in a temporary crisis. Clague's old lieutenant Dennis Lyth left some months back and a typically daring attempt to run a rights issue of $HK178m. while forecasting losses of $HK130m. has now collapsed. The colonel, as Clague is known in Hong Kong, will need all his celebrated nerve over the next month before the Hongkong and Shanghai Bank's offer runs out.

The voice of Murdoch

The Murdoch empire's late entry into local commercial radio is a shot in the arm for a media experiment which has so far mostly been noted for financial difficulties. News International, the company which owns the *Sun* and the *News of the World*, did not join any of the consortia in the original scramble for stations. And it didn't take an interest in Radio Kennet, one of the later starters, until Kennet's original money-raising efforts fell flat.

With a board headed by Sir John Colville of Hill Samuel, Grindlays Bank, Provident Life Association, the Ottoman Bank, etc., seconded by the Marquess of Douro, another banker (with Deltec Banking Corporation, which does most of its business in Latin-America) and also Rupert Hambro as a director, the failure of Kennet's original share offer through Standard Industrial Trust must have caused some red faces. It produced cash for less than a third of the 350,000 pound shares on offer, and all the money had to be returned.

At that point, the Kennet men, with a franchise to cover the Thames area around Reading, went to News International for help. The deal that has been done lies partly in the IBA dropping its initial requirement for £300,000 of capital in view of Kennet's equipment now being leased; secondly in News International putting up £99,100 for 45 per cent. of a revised capital requirement of £220,000 (that is the biggest initial stake granted by the IBA in any area).

"We don't see this as a pot of gold," says Bert Hardy, a News International director, but then goes on to argue that at a poor time for advertising revenue there is a chance that low price media should do relatively well. He and another News man will make up half an executive committee, the other members being Colville and Douro.

All this, mind you, is dependent on Kennet not having a second cash-raising flop. For a fresh prospectus should be ready by next week to raise the other £121,000. Douro says that this time, with three promises already in for more than £10,000 each.

One sideline to the new Kennet format is the prospect of Murdoch and Thomson interests in the same company. Thomson has the Reading paper and as such a right to subscribe for shares in the area's radio station. It didn't exercise this last time, but now it might just like to see what News International is up to.

". . . and now the forecast for the rest of the country!"

Legal leads

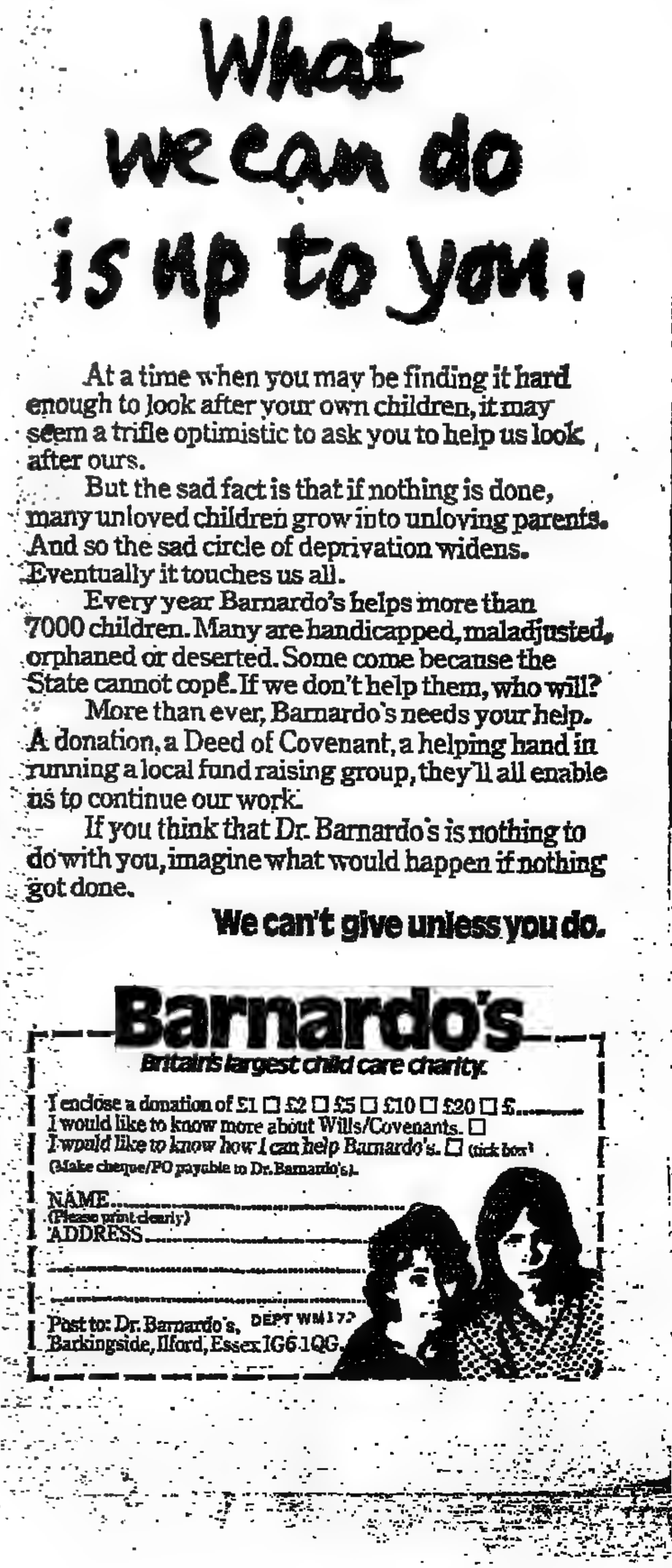
There was a time when the backrooms of stockbrokers were full of researchers and analysts. They were fundamentalists or chartists. Or they might be sunspot followers.

Many of these imaginative fellows have been forced out of a job anyway through the securities industry slump. But Wall Street has come up with a new sort of tipster to suit our times. What moves share prices now? In the U.S. one good answer is litigation.

So brokers Wood Walker have hired a lawyer and launched something called a "litigation service." His first big triumph was to predict that the first award in the IBM-Telex dispute would be overturned on appeal.

How dull though, to have a lawyer tipping shares where once you could be bewitched by the hypotheses of a Dow Theorist or an Elliott Waveman.

Observer



Yesterday's Price Code amendments aim basically at curbing wages. Far bigger changes are due in the long term, reports **Elinor Goodman**

Codifying industry's investment needs

"A FINAL repository for awkward problems" was how one harassed official described the use of the Price Code to enforce the Government's counter inflation package. Though the end result of the £6 limit on wage rises which can be passed on in higher prices will, it is hoped, be to lower the rate of price inflation, the short term aim of the amendments to the Price Code laid yesterday is not so much to control prices but wages.

Indeed, the amendments will materially affect a company's prices only if it exceeds the £6 pay limit. Clearly, the requirement that pay settlements must be vetted by the Department of Employment before a price increase can be cleared by the Price Commission may cause delays. But a company which keeps within the pay ceiling will continue to go on asking for a price increase on exactly the same grounds as before.

In one sense, therefore, the counter inflation package has made no very significant change to the pricing decisions of most of industry. What is very significant about the package, however, is the delay it has caused to the planned revision of the Price Code. In effect short term expediency has overshadowed the Government's longer term policy on prices.

Outline

Two months ago the Prices Department had in broad outline a new Code which would have ended the existing profit reference level system by next spring and meant a new set of ground rules. Now the emergency package means that the original March expiry date for the present Code has been postponed indefinitely. Industry is thus left to grapple with a Code which offers no reward for efficiency and which, if not hitting either the prices or the profits of the average company, is certainly restricting the activities of some.

It is fairly safe to assume, however, that formal consultations on a new Code will begin next summer with a view to its being made law by the autumn, when the country will be coping with what the Government euphemistically describes as the "re-entry" problems resulting from the end of the new wage controls.

Mrs. Shirley Williams, Secretary for Prices, has always made it clear that she dislikes the present Code, which she inherited from the Conservative Government and which was itself produced under the pressure of an emergency.

Inflexible

In her discussions with industry she has made clear her view that the existing Code is far too inflexible and "inequitable." Specifically, she has identified three main weaknesses: (a) the system of limiting a company's profit margins to its performance in the five years preceding the beginning of price controls in April 1973; (b) the way all manufacturers are treated alike regardless of the problems of any particular industry: and (c) the fact that manufacturers are allowed too long a period in which to recoup past costs.

The first two, to some extent, overlap. While the specified reference period may give some sectors, such as retailing, an artificially high reference level, it locks others, such as the bakers, into an unfavourable position. (The bakers, it seems, have given Mrs. Williams a lot to think about. In discussing the new Code, she has constantly referred to them as an example of an industry which suffers under such a "blunt instrument" as the present one.

The third point relates to the clause which allows companies to re-coup costs up to 12 months after they have been incurred. The problem here, it is felt, is that manufacturers are encouraged to put prices up when they might not have done in a totally free market. In effect, the argument goes, some manufacturers see the clause as entitling them to higher prices regardless—the problem is much the same as the fear that the £6 limit on wages may be regarded as an entitlement rather than a maximum.

However, Mrs. Williams has said that some kind of price control is necessary in Britain for the foreseeable future. For, given the oligopolies which exist in so many markets, competitive pressures may not be strong enough to restrict prices adequately except in times of recession. In the very long term, however, she has said she can envisage a system of control limited to studies of prices in particular markets where competition was conspicuously failing to work.

Now, with reduced consumer demand, it is admitted that the Code is doing little to keep prices down. But the real test of a prices policy is seen as being not how it works in either a depressed economy or a rapidly expanding market but under normal conditions.

Trevor Humphries

Mrs. Shirley Williams, Secretary for Prices: her aim is to build new positive factors into a much revised Price Code.

There is anxiety in Whitehall that any new Code is seen neither as a tightening nor a relaxation of the present system. The aim is to make it more refined and more sectoral. As well as redressing what is seen as the negative aspects of the present Code, the aim is to build in some new positive factors. It will, of course, be influenced too, by the nature of the expected "re-entry" problems and the state of the British economy.

Thinking on how to correct the weaknesses of the present Code are still very much at the formative stage. What is known is that Mrs. Williams would like to get rid of the present reference level set-up if possible. But, that apart, the Confederation of British Industry, with its dislike of price controls in general and individual price increase applications in particular will not find much comfort in the Prices Department's thinking. For a start, Mrs. Williams would be unlikely to agree that profit control would be enough in itself. So, in the medium-term at least, the Price Commission looks like retaining its monitoring of individual price applications—though possibly less of them than at present.

In place of the present reference level base period, the Department appears to be considering some new kind of criteria, tailored to the needs of particular sectors. Minimum profit levels or returns on capital might for example, be agreed for individual industries, with capital intensive sectors treated differently from labour intensive ones.

In some respects, this might seem as arbitrary a set of criteria as the present reference levels. It would also mean that the Government would have to commit itself publicly to its ideas of adequate returns on sales for any particular industry as well as embarking on the awesome task of deciding into which category any one company fell. Where, for example, would multi-process companies such as Unilever go?

What is also not clear at this stage is whether the division would be just by broad categories or by individual companies. Taking the bakers again, would, for example, Associated British Foods be pegged at the same level as Spillers? All this is still only at the vaguest planning stage, it all needs answering before any new Code is drawn up.

Mrs. Williams has been more expansive about the positive attributes she would like to build into the new Code. Her priority, apart from the introduction of more flexibility generally, is investment. The present investment provisions, geared to very particular circumstances, are seen as too limited to give industry the stimulus to invest it so badly needs. Investment incentives, the Prices Secretary believes, should be enshrined in the heart of the Code, demonstrating to both workers and shareholders in a company the advantages to be gained from investment. (One of Mrs. Williams's personal hobby horses is industry's failure to explain to the public why it needs profits.)

Thus companies might be allowed to earmark a certain part of their profits for investment, with that amount deducted from the profit figure returned to the Price Commission for its assessment of whether a company is within the profit limits.

Freedom

Such a system could also be used in association with planning agreements. If a company agreed to spend so much on new investment or to maintain employment at a certain level, it could be given more freedom on prices within certain predetermined limits. This would, also of course, make it more attractive for a company to enter into a voluntary planning agreement.

The other thing Mrs. Williams has said she would like is some way of rewarding a company for efficiency. The converse of this could be penalising its inefficiency, but this might lead onto dangerous political ground because of the risk of a loss of jobs.

The precise nature of any new Code will depend very much on the prevailing economic climate. If, for example, the "re-entry period" was to coincide with a reflation of the British economy, the Government might try to find a way of using the Price Code to divert production out of the expanding home market and into exports. If, on the other hand, the economy was still in recession, the Code might have to be used to give an artificial boost to investment.

Commodities

The Government is accutely aware that its whole counter inflation strategy could be undermined by an explosion in commodity prices. Mrs. Williams herself has said she thinks the prospects here are reasonably good and that the Common Market would in any case offer some measure of protection. Whatever happens, however, it is likely that she would continue resisting pressure for a price freeze. Manufacturers may dislike a lot of what the Prices Secretary has done, but she has no desire to bankrupt them.

Even so, industry may well fear that Mrs. Williams' thoughts, however well intentioned, may result in a Code even more complex and difficult to work than the present one. The Department of Prices now has the formidable task of sorting through the theories and putting them into a practical form.

Letters to the Editor

Irrelevant actions

From the managing director, Chubb and Son.

Sir,—Enough is enough. To many company directors, particularly those who have taken the trouble to read the TUC proposals on worker-directors, the Government plans to introduce legislation in 1976-77 will come as the last straw. The CBI is to be congratulated in the vehemence of its immediate response and those MPs on the "other side" of the House who welcomed the news have revealed how sadly they are out of touch with the views of industry and commerce.

Private enterprise is generating the wealth which at the moment is being squandered in the public sector. It is providing the money which Mr. Benn has recklessly poured into unprofitable and unviable enterprises. What is the point in putting further shackles on the Boards of companies which, despite unparalleled frustrations, are still striving to pull Britain out of the economic mess created by our politicians and Left-wing trade unionists? What managing director can view with equanimity the prospect of a Board meeting, faced with difficult decisions, where half the members are nominated by the unions and with no guarantee that any of them actually work in the business?

Directors are accountable for their actions to shareholders, to the Stock Exchange, and to the law. To whom are worker-directors to be accountable? What qualifications will they bring to their task? Since when have all our unions demonstrated their willingness to conform to the rule of law?

Before this madness goes any further, the unions must first demonstrate their willingness to be accountable to the law and perhaps even more importantly they must stop holding the consumer to ransom when they cannot get their own way. Every company director these days knows that his business will not succeed if he cannot satisfy his customer. He is also fully aware of the importance of stable labour relations, and he knows that he cannot satisfy the owners of the business, on whom the business largely depends for finance, unless he keeps the interests of customers and employees very much in mind. Where is the sense in devising a Board where half the members are pledged to a single loyalty to a union which will be insulated from the company's results?

Directors of industrial and commercial undertakings in this country are by and large dedicated men. They would not otherwise be where they are. Many of them willingly work longer hours than most of their employees. If they earn more than £8,500 p.a. they have been singled out and victimised in the latest anti-inflation proposals, and for the most part have accepted the situation without complaint. They are now entitled to ask what relevance these proposals for worker-directors have to our economic plight.

The Government should pause to consider whether these men are willing to go on indefinitely despite the increasing frustrations being heaped upon them, despite the total lack of financial incentive and despite the lack of public acknowledgement for their not inconsiderable efforts for our country.

W. E. Randall,
Tottenham Street, London, W.1.

Trades union directors

From Mr. M. Greener.

Sir,—Mr. Peter Shore's plans for "worker directors" as outlined on August 6 are rather disturbing. While genuine attempts at increasing industrial democracy must necessarily be welcome, it is difficult to see how such an end is to be served by the measures proposed.

A director is as much an employee of a company as is an office boy or a machine minder and to put the latter on the Board makes as much sense as putting a director in the boiler-house. Incidentally, there was no suggestion that directors should, logically, be represented at works committees and union branch meetings.

The sensible course is surely the restructuring of companies so that they are controlled by a governing body, consisting of employees and shareholders (and possibly consumers), responsible for overall strategy; it would be responsible for hiring and firing a Board of directors (presumably trained in management techniques) and would control, and account to the Board for everyday tactics.

M. Greener,
9, Romilly Park,
Barry, Glamorgan.

Drains on resources

From the Managing Director, Cannon Rubber.

Sir,—Professor Cartwright's letter (August 6) on the full effects of new legislation on health and safety did not go far enough. There are two more departments which cause employers "crippling expense for which there would be no monetary return."

Firstly, the training boards which, due to incompetence and lack of training of their own safety staff try to assess employers' own training schemes according to a predetermined set of criteria. The result of this is that in qualifying for exemption from the levy the actual training achieved is of infinitely less relevance than the reports which describe it.

Secondly, the fire authorities who in attempting to absolve themselves of all responsibility should a tragedy happen, impose ludicrous modifications on sometimes only recently completed buildings.

In both these cases no attempt is made to reconcile cost with return and thus industry is drained not only of some resources but also morale.

E. Atkin.
Ashley Road, Tottenham, N.17.

Cairncross Report

From Mr. D. Hunt.

Sir,—The recently published Cairncross Report is deserving of better judgment than that passed by Mr. Cornish in "Bibliography on the Chunnel" (August 4).

Although one may not necessarily agree with all the findings, the Report was nevertheless a creditable performance when viewed against the Alice-in-Wonderland situation in which Sir Alec and his Committee found themselves: that of having to consider how a decision should be made—after it had been taken.

Mr. Cornish's principal criticism of the Report—based as it is almost entirely upon written evidence—is the omission of a catalogue of reference, but under the title: "Evidence and Correspondence" under Annex F, due credit is given to his submission in the company of some 40 names — an overwhelming majority of whom it may be recalled regarded the Channel Tunnel as the next best thing to "original sin." As his letter records, when it comes to the written word he marshals a particular talent.

He prefaces his letter with the statement: "One of the recommendations (of the Report) calls for the establishment of . . ." and to justify this inaccurate statement harvests a few lines from three different paragraphs which he then links in reverse order with personal comment—taking a sideswipe at the DoE in the process. The Report did not recommend, or call for the establishment of any body. Drawing on its experience, the Committee suggested guide-lines and probable areas where similar advisory committees might serve a useful future purpose. Furthermore, Mr. Cornish, by some obscure reasoning arrives at the conclusion that the omission of an indexed bibliography should be corrected: ". . . if we are not to suffer a replay of this multi-million pound fiasco at the expense of the taxpayer within five to ten years, according to Cairncross."

Mr. Cornish's style will be all too readily recognised by those who were associated with the project for a number of years—particularly his continued distortion of the facts. The Channel Tunnel would have been built at no cost to the taxpayer. The Exchequer would have been involved in the investment costs of BR's new high-speed track from London to the Tunnel terminal at Cheriton—but this was cancelled by Mr. Anthony Crosland in November of last year on the grounds that the escalated costs were unacceptable.

The opportunity to be directly linked with the planned high speed railway networks across Europe presaged a profitable future for BR, who may well differ with the views expressed with the Cairncross Committee as to the low rate of return of such an investment.

D. F. Hunt.
2, Old Burlington Street, W.1.

Controls on imports

From Mr. B. Williams.

Sir,—Mr. Gordon Tether (Lombard July 30) has apparently failed to understand the content of Mr. Sims' excellent letter of July 23. From his article, in support of import controls for the U.K., it is obvious that he believes that the Government can easily and continually influence the value put on the pound by foreign buyers. Other than by issuing firm guarantees of more sensible policies, Government interference in this market can affect only the price paid for an item whose true value is not within their direct control.

True, specific import controls on certain goods would protect the industry concerned—and if it could be proved that there was "dumping" of such goods in the U.K. there might be justification for such controls. Controls on the import of goods, however, which merely cost less to produce to a similar standard must result in a reduction in the U.K. standard of living. If the suffering were confined to the short term it might again be possible to justify such controls, but this is not likely to be the case.

Under the protection of import controls the existing inefficiencies in British industry would be allowed to fester resulting in (1) a decreasing standard of living relative to the rest of the world duo either to internally generated price rises or to higher taxation, and (2) a reduction in earnings from exports due to the uncompetitive price abroad.

The first point ensures directly that reduction in U.K. living standards would be long term, while the second adversely affects the balance of payments and hence the true exchange rate. These factors, consequential to import controls, contribute to increasing borrowing requirements (which may not be met), inflation rates and unemployment.

Unless and until the U.K. stakeholders (investors, management and the labour force) function more efficiently, particularly relative to our competitors, and the Government tampers less with the economy, the momentum towards the situation described in my last paragraph is undoubtedly going to increase.

Brian G. Williams.
8, Pen y fro Close,
Dunvant, Swansea.

Surcharge on surtax

From Mr. R. Holder.

Sir,—We have now passed the anniversary of the legislation which purported to levy a surcharge on surtax for 1972-73 and the increasing number of people who are following this constitutional question may be interested to know what progress is being made.

The tone of letter now being sent by the Revenue to those who have declined to volunteer payment has changed. The Revenue no longer claims the right to interpret the law on behalf of the Courts and is at pains to explain that, as an executive arm, its duty is to carry out the orders of the legislature until the Courts decide that those orders are unenforceable. This was not the attitude that was being taken in connection with the surcharge during the first 10 to 11 months when the Revenue were attempting to collect.

A great many people, in learned professions and politics, are now aware of the dangerous precedent of legislation which attempts to cut across the rule of law. While few have sympathy with those who have historically earned high incomes, it is now appreciated that the State should not be able to compel individuals to do things which are on the face of it impossible and that taxation levied against a section of the population without reference to its present income or capital prepares the ground for future infringements of personal liberty.

Those who found difficulty in understanding my objections to the surcharge have had the simpler example of the sewerage rate to study. In saying that the ratepayer cannot be compelled to pay for drainage which he does not enjoy, we can conclude that the Courts would probably also say that the taxpayer cannot be compelled to pay income tax on non-existent income. Several of my correspondents assure me that they intend to take the surcharge issue to the Court of Appeal if so obliged and they will be doing all of us a service if they do.

In the meanwhile the Revenue itself, probably wisely, still declines to initiate proceedings, being no doubt mindful of the £18m. which local authorities are now having to repay in respect of the sewerage rate wrongly collected.

R. Holder.
The South Plantation,
West Monkton,
Taunton, Somerset.

To-day's Events

GENERAL

Mr. Ian Smith, Rhodesian Prime Minister, in South Africa for talks with Premier Vorster.

British-built Concorde on route endurance programme between Singapore and Australia.

European Parliament delegation on tour of countries belonging to Association of South East Asian Nations.

COMPANY RESULTS

John James Group (full year).

Thomas Witter (Half-year).

COMPANY MEETINGS

Celestion Industries, Browns Hotel, W., 12.

Gordon (Luis), 9, Upper Belgrave Street, S.W., 12.

Jackson and Steeple, Manchester, 12.

Scapa, Blackburn, 11.30.

Sheffield Refreshment Houses, Sheffield, 12.

Stait Carding, Wolverhampton, 3.30.

Stanhope General Investment, 10, Wyndham Place, W., 3.30.

OPERA

English National Opera production of Carmen, conductor Noel Davies, Coliseum Theatre, London, 7 p.m.

BALLET

New London Ballet, with Galina Samsova, in Valses Nobles et Sentimentales, Simorgh, and Laurencia, Sadler's Wells Theatre, London, 7.30 p.m.

MUSIC

Henry Wood Promenade Concerts: BBC Symphony Orchestra (conductors Sir Adrian Boult and John Poole), with BBC Choral Society and singers and Simon Lindley, organ, perform Elgar's organ sonata in G major, David Bedford's Twelve Hours of Sunset, and Brahms symphony No. 4 in E minor, Royal Albert Hall, London, 7.30 p.m.

Jaime Laredo (violin), Lynn Harrell (cello) and Richard Goode (piano) play music by Brahms and Schumann, Queen Elizabeth Hall, London, 7.45 p.m.

COMPANY NEWS + COMMENT

Wagon Industrial up 30.5%: scrip issue

ON A TURNOVER up 31.5 per cent. to £23,422,524, pre-tax profit of Wagon Industrial Holdings increased by 30.5 per cent. to a record £2.24m. in the year to March 31, 1975, after £1.08m., compared with £0.63m., for the first half.

Stated earnings per 25p share went ahead from 11.9p to 15.8p for the year.

Against a forecast of maintenance of 4.355p the final dividend is lifted to 4.791p net, making a total of 7.591p, compared with 7.155p, and a one-for-three scrip issue is proposed.

	1974-75	1973-74
	£	£
Turnover	23,422,524	17,912,775
Profit	2,237,659	1,714,789
Taxation	1,135,009	857,380
Minorities	24,489	15,917
Extra-ord. items	212,079	404,341
Attributable	1,299,550	1,285,844

A professional revaluation of the group's properties at March 31 threw up a surplus in excess of £2m. over the previous book value. This sum, less a provision for potential tax liability, has been transferred to capital reserve. The previous revaluation was made in 1929.

● comment

Wagon Industrial has increased its full-year profits by 30½ per cent. on a similar rise in sales but within that there is a definite slowdown in second-half profits. Virtually all of this has been on the Link 31 operation, *which is the main contributor to* profits. Orders in the U.K. slowed down considerably in the second *half of the year and this trend* appears to be continuing into 1975-76. Demand from elsewhere *has remained buoyant however.* Exports on the Link 31 side rose by 90 per cent. last year to over £4m. and the other divisions are continuing to improve. The road signs interests, which staged a massive turnround from losses last year, are continuing to push ahead and the wagon repairs side is still achieving steady growth. Thus, the group which has reduced its short-term borrowings by 30 per cent. since the year end (to significantly less than the £1½m. in the 1973-74 balance sheet) should be able to achieve a modest rate of growth in the current year. The shares at 93p are yielding 13.2 per cent. covered 1.8 times.

INDEX TO COMPANY HIGHLIGHTS

Company	Page	Col.	Company	Page	Col.
Abbey	16	7	Paterson (R.)	18	3
Ashbourne	16	4	Racal Electronics	16	1
Assam Investments	16	5	Ratcliffs (Gt. Bridge)	18	4
Barrow Hepburn	16	4	Rowton Hotels	18	3
Carron	16	2	Royal Dutch/Shell	18	4
East Lancs Paper	16	4	Status Discount	16	5
Ewer (George)	16	5	Stigwood-Polygram	17	4
Hoover	18	6	Stroud Riley	16	8
Ladies Pride	16	3	Trust Houses Forte	18	1
Lubok Investments	18	8	Wagon Industrial	16	1

Racal set for record

This year marks the Silver Jubilee of Racal Electronics and chairman, Mr. E. T. Harrison, said after yesterday's annual meeting that the directors were looking forward to another record.

The meeting approved the increase in capital by the creation of 28m. New Ordinary 25p shares.

Carron looks to second half

DESPITE AN advance in turnover from £9.37m. to £10.4m. taxable profits of Carron Company (Holdings) fell from £0.87m. to £0.4m. in the first half of 1975.

However, the chairman, Mr. *H. C. Wilson Bennetts, says that* after a difficult start to the year a considerable improvement has *been seen in turnover and profit* which, if present trends continue into the second half, will show a *further increase.*

Forecasting under to-day's conditions is a hazardous business, he tells members. Rising unemployment and the intended cuts in Government and local authority spending "will almost certainly present us with problems." But the company is operating on a profitable basis, the chairman adds.

Earnings are shown to be down from 5.29p to 2.44p per 25p share. The net interim dividend is held at 1.342p—last year's total was 3.384p paid from profits of £602,626 before tax.

The group manufactures metal, plastic and general engineering products.

	Six month 1975	1974
	£	£
Turnover	10,400,000	9,366,000
Profit before tax	403,000	869,000
Taxation	198,000	424,000
Net profit	205,000	445,000
Dividend	129,328	129,328

Statement Page 18

● comment

Although **Carron's** half-year profits are 54 per cent. down on the corresponding period, comparison with the preceding six months shows a £670,000 turnround from losses, which suggests that profits are now on an improving trend. Destocking by builders' merchants appeared to be the main problem last year and this now seems to be ending. The current volume of orders is up on the same period of 1973-74 and the group is now looking for a big recovery in the second six months. However, with 70 per cent. of turnover linked to the housebuilding division (and much of that to local authority spending) it is understandable that the shares yielding 13.6 per cent. at 41p are still fairly cautiously rated."

Ladies Pride earns more

ON SALES up from £1.96m. to £2.16m., group pre-tax profit of **Ladies Pride Outerwear** increased from £218,872 to £321,428 in the half year to May 31, 1975. The figure for the year to November 30, 1974, was £438,554.

Stated earnings per 20p share for the six months advanced from 3.2p to 4.75p, and the interim dividend is stepped up from 0.8p to 0.9p. Last year's total was 2.5p.

Tax for the half year takes £165,500 (£114,500).

● comment

Ladies Pride owes its huge 47 per cent. jump in pre-tax profits on a 10 per cent. rise in sales to several factors. First, although fabric knitting sales to outsiders fell, they increased to the group's own dressmaking operation (but invoiced at a lower figure, thus distorting the sales trend), while in turn high-margin dressmaking sales increased considerably, *mainly due to export growth* which accounted for 33 per cent. of the division's turnover. Second, *the group closed down the fully-fashioned knitwear subsidiary,* Rudkin, where profits were small and the proceeds better employed on deposit. In fact, LPO still has *£300,000 cash (unchanged against* the last accounts) even though £¼m. has been spent on new ware*house space adajacent to the head* office, and there are the proceeds of the old warehouse still to come. Sales are currently showing no signs of slowing, and a full recovery to £0.6m. looks feasible, but even after yesterday's 2p rise to 32p the prospective maximum yield is still over 13 per cent.

BHG holds half year earnings

FIRST HALF taxable profits of the Barrow Hepburn Group (leathers and chemicals, etc.) were marginally ahead at £1,205,000, against £1,166,000, and *the balance attributable to* Ordinary holders came out at £540,000, compared with £530,000.

Last June, at the time of the rights issue, the directors said profits for the first four months *were in line with those of the* same previous year period. In view of the unsettled economic conditions, they felt it was too early to forecast for the full year —taxable profits for 1974 were £2.62m.

The net interim dividend is again 1.3125p per 25p share—equal to 3.08 per cent. (7.84 per cent.) gross—and the directors repeat their forecast of a net total of at least 2.885p against 2.64375p. This would give a gross total up from 16.03 per cent. to 17.76 per cent.

	Half year 1975	1974
	£000	£000
Trading profit	1,647	1,587
Depreciation	442	421
Profit	1,205	1,166
Taxation	627	596
Net profit	578	570
Minorities	5	7
Pref. dividends	33	33
Attributable	540	530
Dividends	235	176

● comment

Barrow Hepburn's half-time figures are more or less in line with those intimated at the time of the June issue. The U.S. chemical side continued to slide but the balance was restored by the leather activities, reflecting the fruits of the recent modernisation programme. The second half, however, could see a reversal of there roles. There are doubts about consumer spending and the retail sector is being forced to de-stock, but on the other hand there are now signs of recovery in the U.S. Anyway, one thing seems fairly clear—the company is unlikely to restore its tarnished growth image this year. That leaves the shares with a 14 per cent. yield at 33p as the main short-term prop.

East Lancs. Paper sees downturn

TURNOVER for the first half of 1975 of The East Lancashire Paper *Group expanded from £8.32m. to* £11.81m., and profit, before tax, increased from £664,000 to *£708,000.*

But the directors warn that, due to a general considerably reduced *demand, it is likely there will be* a much smaller profit contribution in the second half. The figure *for the year 1974 was £1.91m.*

Stated earnings per 25p share for the half year increased from 5.9p to 6.2p. A same again interim dividend of 1.172p net is declared—last year's total was *2.931p.*

	Half year 1975	1974	Year 1974
	£000	£000	£000
Turnover	11,811	8,316	18,960
Profit before tax	708	664	1,582
Corporation tax	368	316	965
Net profit	340	348	617
Minorities	4	4	8
Attributable	336	344	609
Dividend	64	64	169
Balance	272	280	440

In 1974 results are after deducting exceptional charges of £125,000 in half year and £467,000 for the year.

● comment

East Lancs' 6½ per cent. pre-tax increase compares favourably with recent results from the paper *and packaging sector, an outcome* which stems from a higher than average rate of capacity working, *supported by a wider range of* customers and a continuing process of trading up in fine *papers.* However, the group now faces the full brunt of the paper industry recession, and the trend in cost pressures exacerbated by the effect of a falling exchange rate on pulp prices, is indicated by a two-point fall in margins to 6 per cent. in the first six months. The group's share price, along with that of other converters, has lagged well behind the sector this year but liquidity remains strong and a yield of 15.1 per cent. at 31p is already covered more than twice.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Abbey	1(b)	—	4	2	6.25
Assam Investments	3	Oct. 2	2.81	3	2.81
Barrow Hepburn ......int.	1.31	Jan. 2	1.31	—	2.64
T. F. & J. H. Braime int.	0.96	Sept. 18	0.84	—	2.96
Brit. Am. & Gen. Trust int.	0.5	Oct. 1	0.5	—	1.2
Broxlea	0.7	Sept. 27	0.7	1.4	1.4
Carron ......int.	1.54	Dec. 1	1.54	—	3.58
Colonial Secs. Trust ...int.	2.1	Aug. 29	2.1	—	5.8
Drayton Comm. Invest int	1.31	Aug. 29	1.31	—	3.35
East Lancs Paper ......int.	1.17	Sept. 12	1.17	—	2.93
Hambro Trust	1.1	—	1	1.36	1.26
Hoover ......int.	5.54	Oct. 15	5.71	—	11.35
Illingw'th, Morris ......int.	0.57	Oct. 1	0.54	—	1.35
Ladies Pride ......int.	0.9	Oct. 2	0.8	—	2.5
Lubok Investments ...int.	0.26	Oct. 3	nil	—(a)	nil
Malaysia Rubber	0.59	Oct. 23	0.54	0.76	0.71
Ratcliffs (Gt. Bridge) int.	0.53	Nov. 1	0.53	—	1.45
River & Mercantile ...int.	2.4(c)	Oct. 1	2.4	—	6.0
River Plate Trust ......int.	1.1	Sept. 1	1.1	—	4.2
Rowton *Hotels* ......int.	2	Oct. 23	1.88	—	4.69
Stroud Riley Drummond	0.88	Sept. 23	1.51	1.75	2.38
Trust Houses Forte ...int.	1.75	—	1.75	—	7.35
Vogelstruisbult Metal int.	2.5(d)	Sept. 24	2.3	—	6
Wagon Industrial	4.79	—	4.36	7.59	7.16

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) At least 0.65p is forecast. *(b)* Gross throughout. (c) Comprising 1.6p quarter to March 31, 1975 and interim 0.8p in respect nine months to December 31, 1975. (d) South African cents.

Recovery at Status Discount

RETAIL DISCOUNT store owners, Status Discount, reports taxable profits of £95,000 for the 28 weeks to June 14, 1975. This compares with a previous first half loss of £118,000, which had been reduced to £33,000 by the year end.

The directors say that the year so far has been one of consolidation and the only stores opened were those to which the company was previously committed.

More surplus space has been leased off to other traders and now almost 90 per cent. of excess accommodation has been sub-let. Small losses have occurred in the disposal of three small *freehold* properties and two leasehold.

The gradual improvement of the company's *position is expected to* continue through the second half and the financial results should be "appreciably better," *members* are told.

The directors will review dividend *policy at the end of the year* but have decided against paying an interim. There was no payment *last year* compared with 4.2p net for 1972-73.

	28 weeks 1975	1974
	£000	£000
Turnover	5,850	4,670
Trading profit	126	37
Property sale losses	31	—
Non-recurring items	—	155
Profit before tax	95	*118
Taxation	50	†86
Profit after tax	45	*32
Extraordinary debits	—	199
Leaving profit	45	*231

* Loss. † Credit.

● comment

The recovery signs apparent in Status Discount's second half last time seem to have been taken a step further with a £210,000 turnround to profits in the first half. With the loss-making furniture side out of the way, stocks have been reduced, and this is reflected in a £75,000 drop in interest charges. This should be further reduced in the second half now that virtually all *surplus space has been* leased out; rental income in the first half was £115,000 but this was *offset by unused leasehold space.* Demand still leaves something to be desired, but with the own*brand kitchen units proving* successful Status looks to be well in the recovery groove. That *must give hope for the shares at* 24p, where the capitalisation is £1.92m.

Assam Investments

TAXABLE profit of Assam Invest*ments almost doubled from* £1.21m. to £2.2m. in 1974. The directors had already forecast "*better*" *results for the year.*

Stated earnings per £1 share are up from 8.87p to 17.48p and the dividend for the year is 3.003p net, against 2.814p.

	1974	1973
	£	£
Turnover	7,601,949	5,698,543
Pre-tax profit	2,201,471	1,211,638
Taxation*	1,398,640	802,198
Net profit	802,831	409,440
Pref. dividend	4,189	4,189
Ord. dividend	137,179	128,545
Extra-ord. credits	16,189	‡185,223
Retained	1,387,961	710,449

* Includes £1.37m. (£0.7m.) overseas tax, and £78,196 (£3,435 debit) overprovision. ‡ Debits, includes £200,000 written off quoted investments.

Geo. Ewer advance

THE 1974 profit figure of £367,366 achieved by coach operators and motor distributors, George Ewer and Co., will be "comfortably exceeded in 1975," according to chairman, Mr. Henry Ewer.

Forecasting this at the annual meeting, Mr. Ewer said that to date the coach side had performed "exceedingly" well, while turnover on the motor distribution side was 24 per cent. ahead and the division was expected to turn in better results than last year.

Mr. Ewer said price competitiveness of coach travel, plus the fine summer had enabled *the company* to turn in excellent coach utilisation figures and turnover to early *July was overall 18 per cent.* ahead excluding the new acquisition and 60 per cent. up including the acquisition. *Some of the in*crease reflected coach fares increases earlier this year "and it *cannot be assumed that profits* will increase by the same amount as turnover," he added.

Ashbourne-Panel moves

A FRESH confrontation seems *likely between the Takover Panel* and the consortium shareholders in Ashbourne Investments, following the recent move by the consortium for an extraordinary Ashbourne meeting to be called to effect Board changes.

This became apparent after the Panel yesterday issued a statement in which it reaffirmed its directives to the consortium of July 23, 1974, and hinted strongly that the consortium should withdraw its proposal by saying that it did not consider it to be "in the interest of Ashbourne shareholders or that any other useful purpose would be served if the "consortium were to persist in requisitioning an extraordinary meeting."

Mr. Lionel Casper, chairman of Crest—part of the consortium along with Corporate Guarantee and associates—yesterday made it clear, however, that the consortium was "not intending to drop it (the meeting)."

The consortium is still under a long-standing Takeover Code obligation to bid for shares not already owned in Ashbourne—it *already owns 43 per cent.,* although this situation is still subject to a case in the High Court.

Meanwhile, the Panel's directive removed Mr. *Casper* as chairman, allowed the consortium two seats on the Ashbourne Board instead of four, gave the Ashbourne shareholders' action committee a representative on the Board, and provided that the consortium should not exercise the votes attached to a 19.9 per cent. share stake (which when bought in December, 1973, triggered the requirement for its bid) and that voting rights of other Ashbourne shares it held should be exercised so as to preserve the composition of the Board along the lines indicated in the preceding requirements.

Interpreting the requirements, the Panel in its statement makes clear that the consortium should not vote its 19.9 per cent. holding, and that it should vote remaining shares against resolutions to remove the Ashbourne directors and to elect a new director.

While the Panel's statement says the consortium was asked for and gave "express undertakings" that they would comply with the Panel's rulings of July 23, 1974, when asked if his interpretion of the rulings was the same as the Panel's Mr. Casper said: "No."

Abbey setback—cut in dividend

EXTERNAL sales of the Dublin-based industrial holding company, *Abbey, contracted from £17.87m.* to £17.05m. in the year to April 30, 1975, and *taxable* profits fell *from £2.25m.* to £1.04m.

The directors say conditions were "extremely difficult" in the *construction industry particularly* in the second half. However, group borrowings have been reduced and the *balance sheet* strengthened. Borrowings as a percentage of shareholders funds are down from *139* per cent. to 119 per cent. and the ratio of current assets to current liabilities is 2.47 against 2.17.

After lower tax and an exceptional credit of £471,000—relating to deductions from taxable profits for increases in values of *stocks held*—earnings are shown to be down from 4.48p to 4.25p per 25p share. The final dividend *is 1p gross,* making 2p for the year compared with 6.25p.

There are extraordinary below-*the-line debits of £325,000* (credits £50,000). Referring to these the directors say that in *view of the political environment* in Cyprus rendering normal trading activities at present impossible, they consider it prudent to provide for the investment in that country which amounts to £219,000.

They have also provided £232,000 for additional tax that may arise on *1973* profits as a result of the increase in corporation tax rate.

The International Hotel Bray was destroyed by fire in June 1974 and following finalisation of *the insurance claims a surplus of* £126,000 arose.

The directors find it very difficult to be optimistic about the current year. However the group is in a strong financial *position,* and is "*well* placed to take advantage of any improvement in *the economic* climate."

Stroud Riley pays less

A SECOND half loss by Stroud Riley Drummond has reduced *group profit for the year to March* 31, 1975, from £496,202 to £145,199 —at midway profit was £199,000, compared with *£216,000.* Turnover for the year increased from £6.78m. to £7.47m.

Stated earnings per 25p share fell from 6.7p to 1.75p, and the dividend is cut from 2.3825p to 1.75p net with a final of 0.875p.

	1974-75	1973-74
	£	£
Group turnover	7,474,573	6,788,637
Trading profit	378,315	697,019
Deprec., etc.	153,019	136,745
Directors' emoluments	58,353	55,732
Share assoc. loss	21,644	*11,311
Profit before tax	145,199	496,202
Taxation	71,356	258,754
Net profit	73,843	237,448

* Profit.

The business is that of worsted *spinners and manufacturers of* interlinings, etc.

BRITISH TITAN

It is proposed to change the *name of British Titan* to Tioxide Group from December 23. EGM September 19.

The Continental and Industrial Trust Limited

and its Subsidiaries

(Managed by J. Henry Schroder Wagg & Co. Limited)
Year ended 31 May

Details from the Report and Accounts for the year ended 31 May 1975:

	1975	1974
	£	£
Total Revenue	1,697,231	1,452,390
Less: Expenses	79,178	70,390
Interest	304,728	315,644
Net Revenue before taxation	1,313,325	1,066,356
Less: Taxation	481,595	377,510
Preference Dividend	38,500	38,500
Net Revenue available for Ordinary Dividend	793,230	650,346
Earned on Ordinary Shares	4.68p	3.84p
Ordinary Dividend paid (net)	4.50p	3.65p
Net Assets attributable to:	£'000	£'000
Dollar Loan	444	647
Debenture Stocks	4,611	4,616
Preference Shares	1,000	1,000
Ordinary Shares	32,751	23,139
Total Net Assets	38,806	29,402
Net asset value per 25p Ordinary Share	193.3p	136.6p
25% of the investment currency premium included therein	10.3p	4.3p

"The total dividend of 4.50p per share is an increase of some 23% over the distribution last year. *This distribution will be of benefit not only to all shareholders,* but also *indirectly to many others* who benefit through Charities, Pension Funds and other Institutions who are shareholders in the Trust.

In the year under review, the United Kingdom Stock Market fell steadily until the end of the calendar year, and then rose sharply. By 31 May 1975 the F.T.-Actuaries All-Share Index finished *about 24% above the level one year earlier. In the United States prices followed a similar* but less extreme pattern. The Dow Jones Industrial Index ended the year 4% above the level one year previously. The dollar premium rose sharply from 33¾% to 85¾% based on current exchange rates in each case."

This announcement appears as a matter of record only.

July 23, 1975

Dfl. 42,600,000

Ina Naftaplin

Seven Year Loan

for the purchase of an offshore drilling platform

Edward Bates & Sons
Limited
Advisers to the Borrower

Nationale Bank voor
Middellang Krediet N.V.
Agent Bank

Privredna Banka u Zagrebu
Assisted in the negotiations

Bank of America N.T. & S.A.
Rotterdam Branch

Bank Mees & Hope N.V.

Barclays Bank International
Limited

Maatschappij voor Krediet
op Vaste Termijn N.V.

Rabomerica International Bank N.V.

GENERAL MINING & FINANCE CORPORATION LIMITED

(Incorporated in the Republic of South Africa)

INTERIM REPORT TO MEMBERS FOR THE HALF-YEAR TO JUNE 30, 1975 AND DIVIDEND ANNOUNCEMENT

The unaudited consolidated financial results for the six months to June 30, 1975 are as follows:

	Six months ended June 30 1975	1974	Year ended 31/12/74
SUMMARY OF FINANCIAL DATA			
Number of shares issued	5,916,736	5,282,800	5,282,500
Earnings of ordinary shareholders			
—Rand	R12,603,000	R10,769,000	R22,452,000
—cents per share	213c	204c	425c
(Surplus on sale of investments and provisions are excluded from the six-monthly figures)			
Dividends			
—amount	R5,239,000	R4,668,000	R10,892,000
—cents per ordinary share	90c	90c	210c
Asset value including excess market value and directors' valuation of listed and unlisted investments	5,551c	5,163c	5,887c

GROUP PROFIT FOR THE SIX MONTHS	Six months ended June 30 1975	1974	Year ended 31/12/74
	R	R	R
Group profit before taxation	19,029,000	16,334,000	33,539,000
Taxation	3,330,000	3,227,000	6,543,000
Group profit after taxation	15,699,000	13,107,000	26,996,000
Outside shareholders' interest and preference dividend	3,096,000	2,338,000	5,514,000
Group profit attributable to ordinary shareholders of General Mining	12,603,000	10,769,000	21,482,000
The undermentioned item is excluded from the above figures:			
Surplus on realisation of investments	(70,000)	2,996,000	3,602,000
Deduct: Provisions	—	—	2,632,000
	(R70,000)	R2,996,000	R970,000

1. No provision has been made during the six months against investments as this is only considered at the year-end.
2. Profit is not earned proportionately over the year as income from investments, surplus on realisation of investments and certain expenses do not accrue evenly during the year.
3. A dividend of R15,000 (1974—R15,000) on preference shares was paid during the six months to June 30, 1975.
4. The half-yearly financial figures are unaudited.

CONSOLIDATED BALANCE SHEET	Unaudited 30/6/75	Unaudited 30/6/74	Audited 31/12/74
	R	R	R
Equity shareholders' interest	145,697,000	113,674,000	132,577,000
Outside shareholders' interest	37,551,000	34,122,000	32,861,000
Loan capital	81,658,000	31,495,000	89,319,000
Preference share capital—6%	500,000	500,000	500,000
	R265,406,000	R179,791,000	R255,257,000
Employment of capital:			
Investments—Listed	131,827,000	69,267,000	128,553,000
—(Market value)	(292,937,000)	(218,598,000)	(308,938,000)
—Unlisted	10,574,000	9,426,000	10,072,000
—(Directors' valuation)	(32,206,000)	(19,175,000)	(28,010,000)
Fixed and mining assets	85,669,000	75,536,000	76,638,000
Townships	9,549,000	3,185,000	8,380,000
Current assets	136,264,000	117,903,000	126,485,000
Total assets	373,285,000	280,317,000	350,128,000
Current liabilities	108,479,000	100,526,000	94,871,000
	R265,406,000	R179,791,000	R255,257,000

Notes:

1. The asset value was 5,210 c.p.s. on August 5, 1975.
2. The increase of R3,274,000 since December 31, 1974 in listed investments is mainly *in Gold and Mining Financial shares.*
3. Since December 31, 1974 the interest in a subsidiary, Bencor (Pty) Limited, has been increased to 100% and 51% interest in Tubatse Ferrochrome (Pty) Limited *has been acquired.*

DECLARATION OF DIVIDEND

An interim dividend No. 99 (coupon no. 101) of 90 cents per share in respect of the year ending December 31, 1975 has been declared payable to members registered at the close of business on August 22, 1975.

The share transfer books and register of members will be closed from August 23, 1975 to September 5, 1975, both days inclusive. No instructions involving a change of the office of payment will be accepted after August 22, 1975. The dividend is declared in the currency of the Republic of South Africa. Payment from the London office will be made in United Kingdom currency at the rate of exchange ruling on September 22, 1975, or on the first day thereafter on which a rate of exchange is obtainable.

Dividend warrants will be posted by the transfer secretaries below, on or about October 2, 1975.

Non-resident shareholders' tax of 15% will be deducted from dividends payable to shareholders whose registered addresses are outside the Republic of South Africa.

The full conditions of payment may be inspected at or obtained from the registered office of the company or the offices of the transfer secretaries.

On behalf of the Board

W. B. COETZER
W. J. DE VILLIERS } Directors

REGISTERED OFFICE:
6 Hollard Street,
Johannesburg 2001

LONDON OFFICE:
Friars House
39-41 New Broad Street,
London EC2M 1NJ.

August 7, 1975

TRANSFER SECRETARIES:
Consolidated Share Registrars Limited,
62 Marshall Street,
Johannesburg 2001

Charter Consolidated Limited
P.O. Box 102,
Charter House, Park Street,
Ashford, Kent TN24 8EQ.

هكذا من الأصل

[هكذا في الاصل]

MINING NEWS

Bougainville's earnings take a plunge

BY LESLIE PARKER, MINING EDITOR

IN LINE WITH the general trend of earnings in the base-metal producing industries of the world the RTZ group's big Bougainville Copper operation in the Papua-New Guinea island of that name announces sharply lower earnings for the past half year.

The net surplus of 19.9m. kina (£12.1m.) is almost a quarter of the 78.1m. kina for the same period of last year and the interim dividend is halved at 5 toea, equivalent to 5 cents Australian. The 1974 total was 27.5 cents when the final was 17.5 cents.

The setback is due to the usual threefold factor of a lower copper price, higher costs and reduced sales plus in this case currency changes and an increased tax charge which appears to have been partially hidden in an overall item for depreciation, amortisation and royalties.

Lower production stemmed from a reduced grade of ore mined and the May rioting which lost six days' output. It is noted that PNG will become independent on September 16 and that the PNG currency, the kina, is scheduled to remain at par with the Australian dollar until December 31. Understandably, no mention is made of the recent threats by the leaders of the Bougainville secessionist movement to break away from PNG on September 1.

The Bougainville Copper company is 53.6 per cent. owned by Conzinc Riotinto which is an 80.7 per cent. subsidiary of Rio Tinto-Zinc. Yesterday its shares were quoted in London at 90p and the local verdict was that, despite the remaining political problems, now to a great extent resolved through last year's renegotiation of the tax agreement with PNG, they are still a good recovery stock for the anticipated revival in the copper price over the next year.

ROUND-UP

The Mount Morgan copper smelter restarted operations on July 18 and is working at full capacity it is announced by Australia's Peko-Wallsend. The group's financial results are due for release on August 25. Yesterday the shares rose another 10p to 290p.

The Consolidated Gold Fields group's New Witwatersrand Gold made a profit of R3.9m. in the year to June, up from R3m., and raises its distribution to 20 cents from 14 cents with a final of 13 cents. The dividend cover is 1.7 and the net asset value at June 30 was 384 cents a share. The latest results include a R1.2m. profit on mineral rights sales. Star Diamonds continued to make a loss.

Vogelstruisbult Metal Holdings, also a member of the Gold Fields group, announces a half-year profit of R0.67m. equal to 4.4 cents a share compared with 4.6 cents in the corresponding six months of 1974 and 6 cents for the whole of that year. The interim dividend is maintained at 2.5 cents. The 1974 final was 3.5 cents.

Rand Mines Properties says that operations at its old Consolidated Main Reef gold mine are being suspended on August 15 until a more favourable relationship between costs and the gold price justifies further mining.

New platinum break-through

FOLLOWING THE news that Impala Platinum is to investigate the feasibility of refining its rhodium, ruthenium and iridium by a new process developed by South Africa's National Institute for Metallurgy, as detailed here on Wednesday, comes an announcement from the Anglo-Transvaal Consolidated group of a completely new process for refining all the platinum group metals.

These are platinum itself, palladium, rhodium, ruthenium, iridium and osmium. Gold, which is usually recovered with these metals, is also refined in the new process. Evolved by the group's laboratory research staff the new method reduces from many months to a few weeks the overall refining time and gives very high recoveries. It is stated that one important refining company from overseas has expressed interest in the new process which is being patented in all major countries including the USSR.

Another advantage claimed for the new system is that smaller-sized equipment than usual can be used with a consequent reduction in overall capital costs. It is also believed that existing refineries could be readily adapted to the process and so achieve increased capacities and recoveries as well as reducing the considerable funds tied up in metals being treated.

Once economic circumstances warrant, Anglovaal now reckons to be in a position to refine its own platinum group metals from the Atok mine in South Africa at an overall cost that is expected to be significantly lower than that of existing processes. Johannesburg comment yeterday was an expression of surprise that both Anglovaal and the National Institute appear to have beaten the combined resources of Rustenburg-Johnson Matthey-Engelhard in what seems to be a major step forward in the economics of the platinum mining industry.

BOARD MEETINGS

The following companies have notified dates of Board meetings to The Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends considered are interims or finals and the sub-division shown below is based mainly on last year's timetable.

TO-DAY

Interims—Algemene Bank Nederland NV, Amalgamated Metal Corporation, J. Bibby, Hallam Sleigh and Cheston, John I. Jacobs, Olives Paper Mill, Thomas Witter.

Finals—Group Investors, Hawthorn Baker, Howard Tenens Services, John James, Lampa Securities, Nora (Jersey) Knit, Sobranie.

FUTURE DATES

Interims—

Allied Insulators	Aug. 20
Dreamland Electrical	Aug. 20
First Scottish American Trust	Aug. 19
Halford Shead	Aug. 14
Kingside Investment	Aug. 13
Pearl Assurance	Aug. 27

LONDON TIN

In the London Tin group's July figures of tin concentrate outputs it is stated that Southern Kinta's Rasa dredge closed down on July 2 and Kamunting's Pananga No. 2 dredge on July 22 both having exhausted their available ore reserves.

Kamunting's four-month total of 294 tonnes goes against 408 tonnes at this time a year ago. That for Southern Kinta is 673 tonnes compared with 934 tonnes. The returns are compared below.

	July Tonnes	June Tonnes	May Tonnes
Amal. of Nigeria	*205	*192	§215
Aokam	248	198	188
Berjuntai	335	295	334
Kampong Lanut	23	26	27
Kamunting	65	79	79
Kramat	36	32	42
Kuala Kampar	40	41	55
Lower Perak	31	26	36
Malayan	231	221	241
Sthn. Kinta Cons.	180	130	155
Sthn. Malayan	212	147	182
Tongkah Harbour	55	35	60

* Four weeks. § Five weeks.

MINING BRIEFS

MOUNT ISA MINES—July 7 to August 3: Lead ore treated 198,890 tonnes, produced 10,190 tonnes crude lead and 17,121 tonnes zinc concentrates. Copper ore treated 380,725 tonnes, produced 11,770 tonnes blister copper.

ELECTROLYTIC ZINC—Four weeks to July 23, 1975: Risdon Works, zinc 8,775 tonnes (June 25, 1975, 9,085 tonnes). West Coast Mines: Ore treated 43,474 (43,288): lead concentrate 807 (1,191): zinc concentrate 9,053 (8,380): copper concentrate 1,191 (1,279).

SAINT PIRAN—July output of tin metal in concentrates: Malaysia 20 tonnes. U.K. treated 11,049 tonnes ore, produced 65 tonnes (June 19 tonnes and 112 tonnes respectively). Industrial dispute interrupted production at U.K. South Crofty Mine for ten days and one mill was closed down for a week for annual holiday.

ANGLO AMERICAN CORPORATION—Coal division sales outputs for July: figures in tonnes: South Africa—Bituminous: Amalgamated Collieries 570,512. Anglo Power 439,175. Blesbok 82,684. Coronation 168,320. New Largo 131,889. SA Coal Estates (Witbank) 171,915. Springbok 109,829. Vierfontein 143,902. Vryheid Coronation 55,982. Coke 45,837. Zululand Natal Indumeni Colliery (coking coal) 34,087. Anthracite: Natal Anthracite 40,809. Balgray Colliery 19,824. Rhodesia: Wankie Colliery 225,337, coke 29,828. Swaziland: Swaziland Collieries 10,403. Botswana: Morupule Colliery 7,481. Group grand total: 2,330,823 (June 2,168,281).

BIDS AND DEALS

Highams buys Skol Clothing

Highams, the Lancashire textile group in which Courtaulds is to reduce its share stake from 29.79 per cent. to under 25 per cent., is itself acquiring the Manchester concern, Skol Clothing, in a £527,000 deal.

Skol makes and sells men's clothes under the "Skol" brand name, some 70 per cent. of its turnover being accounted for by sales to mail order companies and multiple stores.

Pre-tax profits of Skol in the year to September 30, 1974, were £165,253 and net tangible assets on that date were £256,781. Turnover for the nine months to June 30, 1975, was some one-third higher than a year previously and the current outlook is seen by both companies as "encouraging." On July 25, Skol had £220,360 of cash on deposit with local authorities and its bankers.

The purchase price will be met by the payment of £395,000 in cash and the issue of 550,000 shares in Highams, which last night were 1p lower at 24p.

Stigwood ends Warner talks—Polygram pact

Negotiations which may have led to Warner Communications Inc., of the U.S., bidding around £5m. for Robert Stigwood Group, the entertainments concern, have been ended following agreement of alternative arrangements between Stigwood and Polygram Group, which owns almost 25 per cent. of Stigwood's equity.

An announcement yesterday by Stigwood said that, under the arrangements with Polygram, the company is to be guaranteed income from music publishing and recordings over the next five years of not less than U.S.$10m. Additional talks are aimed at a closer working relationship in the U.S. and other joint ventures.

In view of these developments, the Stigwood Board, headed by Mr. Robert Stigwood, has ended negotiations with Warner because it no longer believes the proposals to be in the best interests of shareholders.

Nonetheless, close collaboration with Warner will continue in all areas of the entertainments industry, with Warner's Atlantic Records subsidiary continuing to distribute RSO records in the U.S. There is also to be a programme of joint film production, which will be announced shortly.

SHARE STAKES

Charente Steam-ship now holds 1,220,000 shares (19.93 per cent.) in Bureo Dean.

Stoneware—Mr. G. R. F. Tompkins has acquired a further 1,050 shares.

Richards and Wallington-British Electric Traction bought a further 481,000 shares by way of the rights issue.

Royal Dutch/Shell Group of Companies

Results for First Half 1975

Interim report by Royal Dutch Petroleum Company and The "Shell" Transport and Trading Company, Limited on the results of the Royal Dutch/Shell Group of Companies, in which their interests are 60% and 40% respectively.

Net income divisible between Royal Dutch and Shell Transport for the second quarter of 1975 was £237 million, and for the first half of 1975 £457 million. The corresponding figures for 1974 were £248 million and £567 million, respectively. The latter figure included £125 million arising from abnormal stock profits partially offset by a charge of £60 million against possible future contract losses by General Atomic.

Net income for the quarter includes £25 million resulting from an over-provision in respect of certain long-standing tax issues now settled. Net income for the quarter and half-year also includes £22 million and £58 million respectively arising from profits on disposal of Group companies' interests in a number of countries. Provisions against possible losses on nationalization in other countries were made to the extent of approximately half these figures.

The continued depreciation of the pound against most major currencies has substantially increased earnings in terms of sterling.

Outside North America oil sales volumes for the second quarter were 14% below the level for the same period in 1974. Natural gas sales volumes were unchanged from the second quarter of 1974 but earnings improved mainly as a result of higher prices. Chemicals sales volumes and earnings continued at markedly lower levels than in 1974.

Net income from Shell Oil in the United States and Shell Canada was lower than for the second quarter of 1974, mainly as a result of increased taxation in both countries and higher royalties in Canada.

Capital expenditure was £294 million for the quarter, £539 million for the half-year, against £421 million for the first half of 1974.

August 7, 1975

STATEMENT OF INCOME

	Second Quarter 1975 £ million	Second Quarter 1974	First Half 1975 £ million	First Half 1974
Revenues				
Sales proceeds	4,240·2	4,285·6	8,351·1	8,168·5
less Sales taxes, excise duties and similar levies	887·0	866·1	1,677·5	1,621·0
	3,353·2	3,419·5	6,673·6	6,547·5
Other revenues	105·8	71·3	207·8	129·4
Share of earnings (losses) of associated companies	45·6	(16.7)	102·8	15·9
Interest income	41·9	49·6	88·2	91·1
	3,546·5	3,523·7	7,072·4	6,783·9
Costs and expenses				
Purchases and operating expenses	2,135·0	1,942·4	4,177·9	3,535·2
Selling, general and administrative expenses	409·4	355·8	827·3	722·2
Exploration (including dry holes) and research and development	95·3	66·9	176·2	124·9
Depreciation, depletion and amortization	116·8	114·6	234·2	224·9
Interest expense	46·8	37·5	90·9	72·1
Taxation on income (excluding UK Advance Corporation Tax)	490·7	730·1	1,075·0	1,476·8
Income applicable to minority interests	15·0	28·2	33·5	60·4
	3,309·0	3,275·5	6,615·0	6,216·5
Net income for the period divisible under 60:40 arrangements	237·5	248·2	457·4	567·4

The net income divisible under 60:40 arrangements does not include any charge for UK Advance Corporation Tax payable on dividends flowing from United Kingdom companies of the Group to Shell Transport. Any such tax is allocated to Shell Transport and is availcble as a credit against its total liability for this tax, which is calculated on the dividends it declares to its shareholders.

FINANCIAL DATA

	Second Quarter 1975 £ million	Second Quarter 1974	First Half 1975 £ million	First Half 1974
Capital expenditure	293·7	190·8	539·0	420·5
Cash and short-term securities, June 30			1,765·8	1,658·9
Long-term debt, June 30 (including amounts due within one year)			1,914·1	1,462·0

OPERATIONAL DATA

	Second Quarter 1975	Second Quarter 1974	First Half 1975	First Half 1974
	thousand barrels daily		*thousand barrels daily*	
Crude oil supply (production, buy-back oil under special arrangements, and other purchases)	4,634	6,367	4,766	6,204
Crude oil processed	4,131	4,974	4,303	5,004
Sales of crude oil and oil products	5,002	5,739	5,188	5,991
	million cubic feet daily		*million cubic feet daily*	
Sales of natural gas	6,233	6,380	6,900	6,935

The operational data include 100% of consolidated companies' figures plus, for crude oil processed and sales of natural gas, the Group proportion of associated companies' figures.

PARENT COMPANY EQUITY IN GROUP NET INCOME DIVISIBLE UNDER 60:40 ARRANGEMENTS

	Second Quarter 1975 £ million	Second Quarter 1974	First Half 1975 £ million	First Half 1974
ROYAL DUTCH (60%)	142·5	148·9	274·4	340·4
SHELL TRANSPORT (40%)	95·0	99·3	183·0	227·0
Expressed in terms of the parent companies' ordinary shares outstanding at June 30, 1975, these figures are equivalent to:	*per Ordinary Share*		*per Ordinary Share*	
ROYAL DUTCH *(134,018,522 shares of N.fl.20 each)*	106·35p	111·14p	204·78p	254·01p
SHELL TRANSPORT *(552,417,207 „ „ 25p „)*	17·20p	17·98p	33·12p	41·08p

In the case of Shell Transport, the amounts per Ordinary Share are exclusive of Advance Corporation Tax leviable in respect of dividends paid.

'Some confidence' at Trust Houses Forte

GROSS trading profit of the Trust Houses Forte hotels, catering and leisure group, increased by 10 per cent. to £12.6m. in the first half of the current year, compared with the same previous year period, but after substantially heavier financial charges, the loss for the period was higher at £1,306,000, against £165,000.

And, after minorities and net profits of only £52,000, against £1,488,000 on sale of fixed assets and investments, there was a first half pre-tax loss of £959,000, compared with a *profit of £1,509,000.*

The net interim dividend is again 1.75p per 25p share, equal to 2.69p *gross against 2.61p.* Net total for the year to October 31, 1974, was 7.35p—10.97p gross—paid from attributable taxable profits of £11.05m., which included £2.08m. from asset and investment sales.

The first half figures reflect the seasonal nature of the business, says chairman Lord Thorneycroft, who adds that the improvement in gross trading profit has been achieved despite "unparalleled increases of operational costs including a swingeing rise in the general rates."

Lord Thorneycroft reports that *results for the second half are* proving to be better than the comparable period last year, and *this leads the directors to look* forward to the year-end results with "some confidence."

Being largely a cash business "our cash flow is healthy," he tells members.

In *his* annual statement last April Lord Thorneycroft said it was not intended in 1975 to incur major expenditure on new projects but, as circumstances changed, a number of plans were immediately available for the next phase of expansion.

	Half year 1975 £000	Half year 1974 £000	Year 1973-74 £000
Trading receipts	134,449	121,969	303,955
Gross trading profit	12,858	11,496	33,775
Depreciation, etc.	5,436	4,957	10,110
Net trading	7,422	6,539	23,665
Finance charges	8,728	6,704	14,490
Loss	1,306	165	*9,175
Profits sale of assets, etc.	52	1,488	2,063
Minority credit	295	136	†207
Loss before tax	959	*1,509	*11,058

* Profit. † Debit.

No tax charge assessment possible at *half year stage, since the annual tax* rate is dependent upon profitability of the second half.

See Lex

RECENT ISSUES

EQUITIES

Issue Price p***	Amount Paid Up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price p***	+ or −	Div. P. or Amount	Times covered	Gross Yield	P/E Ratio
a	F.P.	—	172	165	Akroyd & Smithers	155	......	u12.5	1.7	12.1	7.6
$106	F.P.	—	£77	£75	Brazilian Invs. S.A.	£75	......	—	—	—	—
48	F.P.	11/7	56	48	Clive Discount (20p)	50	......	3.0	—	9.0	—
55	F.P.	21/8	56	55	Lawrence (Walter)	55	......	b4.6	2.7	12.6	4.5

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price	+ or −
‡‡	F.P.	21/8	93	88¾	Adwest Grp. 10½% Cnv. 95/2000	91⅛	......
£100	F.P.	—	101½	£99½	Barclays Bank Int 9¼% Capital Notes 1982	90	......
£100	£10	7/11	11¼	10	Barnet Corp. 13¾% 1980	10⅛	−⅛
£100	£10	7/11	12¼	10	Do. Do. 14% '84/5	10⅛	......
£100	F.P.	—	100	98¼	CSR 9¼% Notes 1980	10⅛	......
**£99	£10	12/9	10½	9¾	Camb. Water 9% Red. Pref. 1980	9¾	......
£100	£50	—	49½	49⅛	Ciba Geigy (G.F.S.) 8½% Guar. Ln. 1982/95	49⅛	+⅜
£97½	£50	12/9	50⅝	49⅝	City of Westminster 15% Red. St. 1981	49¾	......
£99	F.P.	—	100	99¼	Clayton Dewandre 16% Deb. 90/5	99¼	−¼
£98½	£10	5/12	11⅛	10⅛	Derby Borough Council 13¾% Stk. 1982	10⅛	−⅛
‡£99	F.P.	29/8	100¼	99¼	East Surrey Water 9% Red. Pref. 1980	99¼	......
‡£100	F.P.	—	104	100½	English Properties 12% Conv. Ln. 2000/5	95	−4½
£100	F.P.	—	105½	100	*EnnuFinance (U.K.) 9% Conv Gtd Uns Ln 85-90*	102½	......
£99	F.P.	31/7	112	100⅝	Folkestone Dist. Water 9% Red. Prf. 1980	100½	......
£100	£50	23/10	56¾	53	Hoechst 10% Guar. Ln. 1990	55½	......
‡£100	Nil	—	3½	½	*Land Secs 10% Conv. 90/5*	2pm	−½
‡£100	F.P.	21/8	107½	97	Mitchell Cotts 13% Conv. Uns. 90/5	101	+½
£99	£10	—	10¼	10	Newcastle & Gate 9% Red. Prf. 1980	10	......
£99	F.P.	31/7	113¼	100⅝	N. Surrey Water 9% Red. Prf. 1980	100½	......
‡£100	F.P.	—	100	90	*Property Hldgs. & Inv. 9% Conv. '90/5*	90	......
£99	F.P.	29/8	99¾	99	Sunderland Water 9% Red. Pref. 1980	99	......
‡‡	F.P.	—	90	77½	Turner Curzon 16% Conv. Uns. '76-80	85	......
‡‡	F.P.	29/8	101¾	92¼	Whitbread 11% Conv. 1995	99	−¼

"RIGHTS" OFFERS

Issue Price p***	Amount Paid up	Latest Renunc. Dates †	Latest Renunc. Dates ‡	Stock	Closing Price p***	+ or −
18½	Nil	13/8	10/9	Adams Foods	¼pm	......
110	F.P.	28/7	25/8	Anderson Strathclyde	106	......
45	F.P.	30/6	8/8	Associated Engineering	50½	......
25	F.P.	7/7	21/8	Barrow Hepburn	34	......
46	F.P.	7/7	10/9	BOC Intl	41½	......
90	Nil	—	—	B.T.R.	26pm	+½
116	F.P.	21/7	1/9	Bowater	133	−3
60p	F.P.	25/7	5/9	British Steam Specialties	60	−1
40	F.P.	3/7	8/8	Carless Capel	55	−1
30	F.P.	21/7	29/8	*Century Oils*	34	......
55	Nil	—	—	Clayton Dewandre	9pm	......
A$1.50	F.P.	2/7	7/8	Commercial Bank of Australia	218	......
45	F.P.	6/8	4/9	CompAir	48	−3
25	Nil	—	—	Crellon	1½pm	......
41	Nil	19/9	22/8	Crossley Building	1½pm	−1½
65	Nil	21/8	16/9	Davy Intl	4pm	−2
72	F.P.	30/7	28/8	Dunbee-Combex-Marx	108	......
25	Nil	15/8	19/9	Empire Stores	32pm	−3
66	F.P.	4/7	21/8	Ever Ready	78	−1
10p	F.P.	4/8	5/9	Feedex	19	......
200	F.P.	4/7	7/8	Glaxo	335	......
25p	Nil	15/8	5/9	Hanson Tst.	56pm	−1
25	F.P.	31/7	11/8	Harlowoods (Proprietary)	25	......
10p	F.P.	29/7	5/9	Headlam Sims & Coggins	11	−1
20	F.P.	22/7	8/8	Kwahu	19	......
48	Nil	15/8	15/9	Law Land	¼pm	......
105	F.P.	30/7	15/8	Legal & General	107	−2
50	F.P.	18/7	21/8	London United Invs.	68	......
25p	F.P.	25/7	20/8	Macfarlane Group	58	......
128	Nil	15/8	19/9	McCorquodale	17pm	+1
210	F.P.	1/8	29/8	Metal Box	205	−2
32	Nil	20/8	2/10	Morgan Edwards	4pm	−1
10p	F.P.	2/7	8/8	NSS Newsagents	46	......
60	F.P.	9/7	8/8	Nurdin Peacock	77	......
105p	F.P.	21/7	29/8	Pegler Hattersley	106	−3
$A1.60	Nil	—	—	*Poseidon*	80pm	+8
5p	F.P.	11/7	5/8	Premier Cons Oilfields	11	......
67	F.P.	24/7	19/8	Redland	71	......
106	Nil	11/8	5/9	Renold	¾pm	......
20	F.P.	4/7	8/8	Root Harvesters	25	......
78	Nil	—	—	Royal Worcester	6pm	−4
40p	Nil	23/9	26/8	Scottish & Newcastle Brewery	2pm	−1
10	F.P.	28/7	12/9	Senior Engineering	12½	−½
27½	F.P.	10/7	21/8	Serck	31	−½
80p	F.P.	25/7	12/9	Siebe Gorman	108	......
95p	F.P.	25/7	5/9	Smiths Industries	93	−1
170	F.P.	8/8	3/10	*Tate & Lyle*	168	−3¼
65	F.P.	17/7	7/8	U.K. Optical	82	......
50p	F.P.	21/7	15/8	Unicorn	51	......
33	Nil	15/8	12/9	Westland Aircraft	4pm	......
110	F.P.	5/8	29/8	Wheatsheaf Distribution & T.	116	+7

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital, cover based on dividend on full capital. p*** Pence unless otherwise indicated. u Forecast dividend: cover based on previous year's earnings. T Figures assumed. ‡ Cover allows for conversion of shares not now *ranking for dividends or ranking only for restricted dividends.* ** Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ♥ 290 S.Afr. cents. ‡ Rights by way of capitalisation. †† Tender allotment price. ◆ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ♣ Introduction. ◆ Issued to former *Preference holders.* ‡ *Allotment letters (or fully-paid).* † *Provisional* or partly-paid allotment letters. $ With warrants.

Rowton maintains profits

FROM turnover up from £1,089,526 to £1,337,587, first half profits of the Rowton Hotels group have been slightly more than maintained at £244,000, against £243,000.

After heavier tax of £126,880 (£106,258) net profit for the six months was £117,120, compared with £136,742.

The 1974 tax charge has been restated to reflect an apportionment of the actual charge for the year and has therefore benefited from accelerated capital allowances on certain expenditure.

The net interim dividend is lifted from 1.884375p per 25p share to 2p, costing £74,340 (£70,042). The final for the year 1974, when taxable profits amounted to £539,642, was 2.8075p.

Mr. W. B. Harris, Q.C., *chairman,* reports that despite the oversupply of hotel beds in London, *the total number of visitors to the* group's hotels was only fractionally down. Just recently there has been an encouraging upsurge in business, he adds—there is a good basis of forward reservations, and if this latest trend of last-minute bookings were to continue the second half profit could prove as satisfactory (in these difficult times) as that of the first.

In the London hostels occupancy continues at a "very high" level as does also the catering turnover. Parkview House, Birmingham shows "modest signs" of improved occupancy.

Mr. Harris says the group's financial position continues to be healthy and fully adequate to meet all known liabilities, including the further work at The Mill Hotel, Sudbury, *which is expected* to reopen the end of the late autumn.

'Promising' future for R. Paterson

HAVING overcome many difficulties in carrying out its diversification programme, R. Paterson *and Sons, manufacturers and distributors* of "Camp" coffee and other food products, has a "*promising*" *future, according to* Mr. William Armstrong, the new chairman.

He told the annual meeting there had been a successful merger of interests following the acquisition of Jenks Brothers Foods in October and the group was now well geared to enter new fields in food manufacture.

Mr. Armstrong said he could not give a breakdown of the profit contribution of the two groups. He emphasised that far from phasing out the coffee business, the company was pursuing a national plan to achieve growth.

Meeting Page 13

R. Dutch-Shell second quarter net £237m.

NET INCOME, after tax and minorities, of the Royal Dutch-Shell Group for the second quarter of 1975 was £237m., and for the first half of 1975 £457m.

Corresponding figures for 1974 were £248m. and £567m. respectively, the latter figure including *£125m. arising from abnormal* stock profits partially offset by a charge of £60m. against possible future contract losses by General Atomic.

Net income for the quarter includes £25m. from an over-provision in respect of certain long-standing tax issues now settled. For the quarter and half-year it also includes £22m. and £58m. respectively arising from profits on disposal of Group companies' interests in a number of countries.

Provisions against possible losses on nationalisation in other *countries* were made to the extent of approximately half these figures.

Continued depreciation of the pound against most major currencies has substantially increased *earnings in terms of sterling,* the directors say.

Outside North America oil sales volumes for the second quarter were 14 per cent. below the level for the same period in 1974. Natural gas sales volumes were unchanged from the second quarter of 1974 but earnings improved mainly as a result of higher prices.

Chemicals sales volumes and earnings continued at "markedly" lower levels than in 1974.

Net income from Shell Oil in the U.S. and Shell Canada was *lower than for* the second quarter of 1974, mainly as a result of increased tax in both countries and *higher royalties in Canada.*

Capital expenditure was £294m. against £191m. for the quarter and £539m. for the half-year, against £421m. for the first half.

Parents' equity in net income divisible under the 60:40 arrangements are N.Fls.5.97 (7.02) per Fls.20 share of Royal Dutch for the second quarter and *Fls.11.65* (16.27) for the half-year, and 17.20p (17.98p) and 33.12p (41.08p) respectively for Shell Transport. The amounts for Shell are exclusive of ACT leviable in respect of dividends paid.

	Second quarter 1975 £m.	Second quarter 1974 £m.	First half 1975 £m.	First half 1974 £m.
Sales proceeds	4,940.2	4,285.6	8,351.1	8,168.5
Sales taxes, excise duties, etc.	1,587.0	866.1	1,677.5	1,621.0
Balance	3,353.2	3,419.5	6,673.6	6,547.5
Other revenues	105.8	71.3	207.8	129.4
Share of associates	45.6	* 16.7	102.8	15.9
Interest income	41.9	49.6	88.2	91.1
Total	3,546.5	3,523.7	7,072.4	6,783.9
Purchases and operating expenses	2,135.0	1,942.4	4,177.9	3,535.2
Selling, general and administrative expenses	409.4	353.8	827.3	722.2
Exploration, and research and development	95.3	66.9	178.2	124.9
Depreciation, depletion, etc.	118.8	114.6	234.2	224.9
Interest expense	46.8	37.5	90.9	72.1
Tax on income excluding U.K. ACT	490.7	730.1	1,075.0	1,476.8
Minority interests	15.8	28.2	33.5	60.4
Net income	237.5	248.2	457.4	567.4

* Losses. Any U.K. ACT payable on dividends flowing from U.K. companies of the Group to Shell Transport is allocated to Shell T and is available as a credit against its total liability for this tax, which is calculated on dividends it declares.

Financial Data:	£m.	£m.	£m.	£m.
Capital expenditure	293.7	190.5	539.0	420.5
Cash and short-term securities, June 30			1,783.8	1,636.9
Long-term debt, June 30 including amounts due within one year			1,814.1	1,465.0
Operational Data:	thousand barrels daily			
Crude oil supply—production, buy-back oil, etc.	4,694	6,367	4,769	6,304
Crude processed	4,131	4,974	4,308	5,004
Sales of crude and oil products	5,002	5,739	5,188	5,991
	million cubic feet daily			
Sales of natural gas	6,233	6,330	6,900	6,695

Operational data include 100 per cent. of consolidated companies' figures plus, for crude oil processed and sales of natural gas, the Group proportion of associates figures.

Statement Page 17 and see Lex

Ratcliffs first half setback

EXCLUDING metal losses of £105,000, which will be transferred from metal price contingency reserve in the final accounts, profit of Ratcliffs (Great Bridge) declined from £510,000 to £196,000 during the first half of 1975. The profit for all 1974 amounted to £914,100.

Sales for the six months were down from £20.05m. to £13.19m. and tax absorbed £95,000, against £248,000.

The interim dividend is being held at 0.525p net per 25p share. Payments in 1974 totalled 1.447p.

The directors report that the U.K. and Canadian companies suffered "very heavily" in the first quarter due to the collapsed auto market and customer destocking.

Canadian earnings made a complete recovery in the second quarter, but an improvement in Great Bridge earnings is not expected until the third quarter, "due to the delayed application of selling price increases."

Both plants are operating "at near capacity and the prospects for second half are much brighter," they add.

● comment

Even a small decline in output at a capital intensive operation like Ratcliffs leaves its mark on profits. So against a background of falling copper prices and automobile demand, a 17 per cent. drop in volume on a 34 per cent. fall in turnover translates into a 63 per cent. decline at the pre-tax profit level. However, re-ordering has begun in the U.K. and sterling depreciation has given a fresh impetus to exports which are running at 50 per cent. of sales against 35 per cent. last year. The continuing support of the Canadian subsidiary (about one half on profits) and a healthy level of capacity working in the U.K. should lead to at least maintained second half profits for a total of £800,000 pre-tax. This would cover a yield of 9 per cent. at 25p more than three times and the exceptional metal losses of £105,000, so far, compare with a contingency reserve of £890,000 at the year-end and may in any case be offset by upward trend in copper prices.

Statement Page 21

WM. RANSOM DIVIDEND

William Ransom and Son has reduced the final dividend announced July 31 as the Treasury has said it exceeded the maximum permitted. The final is now 1.6126p—not 1.6543p—net, making 2.3067p, equal to 3.5169p (3-1972p) gross.

First half recovery to £11.73m. by Hoover

FIRST-HALF 1975 group pre-tax profit of Hoover expanded from £8.77m. to £11.73m. after an increase from £1.44m. to £5.32m. in the first-quarter. Sales for the six months rose from £60.17m. to £86.98m.

As anticipated, second quarter results reflect the continuing recovery indicated in the first. As yet it is difficult to assess the effects of the 25 per cent. rate of VAT with any degree of certainty, particularly due to the seasonally lower level of sales during the holiday period, the directors state.

Unit sales overseas continue depressed in line with world economic conditions. However, *the further decline* in the value of *sterling* improves the competitive position to some extent. With *increased promotional* activity, some increase in sales is expected.

	Six months 1975 £000	Six months 1974 £000	Year 1974 £000
Group sales	86.981	60.173	113.517
Profit before tax*	11.735	8.767	4.925
U.K. tax	5.597	2.097	644
Overseas	574	931	2.229
Hoover (Holland)	232	479	848
Total tax	6.403	3.507	3.721
Net profit	5.332	5.260	1.204
Dividends	1.100	1.141	2.289
Balance	4.232	4.119	†1.085

* Includes amounts relating to Hoover (Holland) B.V. and its subsidiaries £510,000 (£386,000—and £1.243.000 for year). † Deficit.

Every effort is being made to keep *costs* to a minimum but while the rate of inflation in the U.K. continues at the present high levels "margins will be under presure."

Stated earnings per 25p share for the half year increased from 16p to 27p. An interim dividend of 5.54p net, against 5.71p, is declared—the final (5.64p for 1974) will be decided when results for the year are known and will be in compliance with legislation. Profit for the year 1974 was down from £21.3m. to £4.93m.

Trevor Humphries

Mr. Peter Boon, who became chairman of Hoover in April, 1975.

Lubok forecasts 0.65p

GROSS REVENUE for the six months to June 30, 1975, of Lubok Investments expanded from £45,000 to £372,000, and pre-tax profit advanced from £34,000 to £135,000.

Despite difficult trading conditions the chairman, Mr. J. D. Slater, *is confident the company* can continue to produce "worthwhile" financial results. Gross income *for the year 1974* was £193,300.

Fully diluted earnings per 2.5p share are shown at 0.83p (0.24p). An interim dividend of 0.26p per share is declared and subject to the outcome of the year, and subject to obtaining Treasury consents, a total of at least 0.65p per share is forecast—the first payment for many years.

Since May holders' funds have shown a further "significant" increase. The entire holding of *gold shares has been sold in order* to concentrate the South African investment in the associate, S.A. *Selected Holdings. Also the holding* of Krugerrands has been considerably reduced realising a *substantial profit.*

Salect has recently agreed to acquire, for shares, a controlling *interest in Sinclair Holdings,* a quoted South African investment company.

See Lex

INTERIM STATEMENT

Carron Company (Holdings) Limited

ESTO PERPETUA

1759

Interim Statement

The unaudited profit for the *six months to 30 June 1975 is £403,000, on a turnover* of £10,400,000.

After a difficult start to the present *financial year which I* reported in my *Statement* to shareholders on 7 April, we have seen a considerable improvement in turnover and profit which, if present trends continue into the second half of 1975, will show a further increase.

But forecasting under to-day's conditions is a hazardous business, faced as we are with rising unemployment and the intended cuts in Government and Local Authority spending, which will almost certainly present us with problems.

However, the company is operating on a profitable basis and the Directors accordingly have declared an Interim Dividend being the same as last year, 6.17% (1.542 pence per share) payable on the 1 December 1975, to shareholders on the register on 18 November 1975.

INTERIM STATEMENT FOR HALF-YEAR ENDED 30th JUNE, 1975

		Six months to 30 June 1975	Six months to 30 June 1974	Year to 31 December 1974
(1)	Turnover	£10,400,000	£9,366,000	£17,367,000
(2)	Profit before Taxation	£403,000	£869,000	£602,626
(3)	Taxation Estimated	£198,000	£424,000	£238,319
(4)	Profit after Taxation	£205,000	£445,000	£364,307
(5)	Interim Dividend	6.17% net	6.17% net	
(6)	Amounts of (4) absorbed by Dividend	£129,528	£129,528	£301,036
(7)	Earnings per share (pence per share)	2.44	5.29	4.34

H. C. Wilson Bennetts
Chairman and Managing Director
Carron Company (Holdings) Limited

7 August 1975

CARRON, FALKIRK, STIRLINGSHIRE

هكذا من الاصل

هكذا عن الاهم

The Financial Times

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Acknowledgements to Romulus Films Ltd.

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Southampton SO9 7AF.

And 69 other countries, too.
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INTERNATIONAL COMPANY NEWS + EURO MARKETS

HK and Shanghai moves in on Hutchison

BY PHILIP BOWRING, HONG KONG, August 7.

THE HONG KONG and Shangai Bank has delivered what looks like an ultimatum expiring in 30 *days to Hutchison International*, by offering to take up 150m. new shares in Hutchison for cash at par value of one HK dollar. This is in return for HIL agreeing to *accept the appointment of two* new directors, one of whom would be deputy chairman and Chief Executive. The proposed arrangement would leave Sir Douglas Clague *as nominal* chairman. Wardley, the merchant banking arm of the Hong Kong bank, has withdrawn from underwriting the three for five rights issue at par which Hutchison had announced on May 23.

This extraordinary announcement to-day climaxed a bizarre *situation* which has *done* no more good to the image of the bank than it has to the long *tarnished image of Hutchison.*

The intended rights issue, which would have raised $HK178m., was announced simultaneously with a forecast of a loss for HIL in the year ended March 31, 1975, of around $HK130m. It was understood, at *the time, that this loss would* include provisions for exchange losses and diminution in the value of some investments, as well as the trading shortfall. Further below-the-line write-offs were also expected in an operation designed to produce a set of *accounts which would not only* reflect accurately the position of the sprawling group but also provide the basis for rebuilding and re-organising HIL. The proceeds of the rights issue were to be used to reduce HIL's debts. At March 31, 1974, long term liabilities *plus overdrafts* totalled $HK717m.

It is believed that a substantial part of the borrowings were from the Hongkong Bank, of which Sir Douglas Clague, Chairman of *HIL, is deputy chairman. At the* time of the rights announcement, it was thought that the issue would probably be a success if only because it was priced at par *—$HK1—or less* than half the then HIL market price.

The rights issue documents were expected last month, giving details of balance sheet and profit *and loss account for the year to* March 1975, plus details of any subsequent significant developments.

Instead, there was a flurry of *rumours that very large losses* had been incurred by an Indonesian subsidiary, in addition to the group's $HK130m. loss already announced, and that an even more massive rights issue would be needed.

The Board announced that the rights issue was being postponed. The reason, it said, was that negotiations with creditors of the Indonesian company were still in progress. Any statement *in a rights issue document could* prejudice such negotiations and until the negotiations were com*plete it would not be possible* for the notes to the accounts fully to reflect the position. However, the company went on to state that it had known of the Indonesian situation for some months. They said it did not cause them to alter their *estimate of a HK$130m. loss for* the previous year, and once the negotiations were complete the issue would go ahead on the terms already announced.

Since then there has been mounting speculation in the colony on the true nature and *size of the Indonesian problem.* It revolved around a company called Alltrak which has an agency for Fiat-Alliss-Chalmers heavy earthmoving and logging equipment. The collapse of the *timber business has apparently* left the company with a vastly overstocked inventory cash problems. However, the length of the negotiations with Fiat-Alliss-*Chalmers suggests that large and* complicated issues are involved which may concern very substantial contingent liabilities.

Whatever the truth of the situation, the Hongkong Bank has evidently concluded that it was *inadvisable to go ahead with* the rights issue and that to safeguard the company a massive equity injection from them was imperative. As for the management changes, it has been rumoured for some time that the rights issue would be accompanied by changes forced on HIL by the Bank.

In a sense, the Bank's willingness to intercede with its own equity provides an assurance for *the continued existence of HIL.* However, given HIL's debt to the Bank and the serious repercussions for Hongkong should HIL have failed, such a failure has never looked likely.

Shareholders may in fact have good cause to be resentful of the Bank. Their holdings would be diluted by the Bank's offer to acquire shares for little over half the price at which HIL shares closed to-day before the *announcement—HK$1.90.*

Should the bank's "offer" be accepted it would increase HIL's issued capital by approximately 50 per cent. (the precise num*ber of HIL shares on issue at* this moment is not quite clear). What it would do for the com*pany is again not clear,* given the lack of any meaningful figures less than 16 months old.

Block on Philips/Consul bid by Brazilian government

BY SUE BRANFORD, SAO PAULO, August 7.

THE BRAZILIAN Minister of Trade and Industry, Sr. Severo Gomes, has refused to authorise *the sale of Consul—one of* Brazil's largest manufacturers of electrical household goods, to Philips do Brasil, a subsidiary of the Dutch Philips multinational.

In a short Press release, Sr. Severo Gomes said: "The *Government has refused authori*sation for the purchase of Consul by Philips, as it is considered that it would be harmful to the interests of the Government." The decision is considered here to be highly significant as it may well reflect a new, harder *attitude on the part of important* sectors of the Brazilian Government towards foreign companies when they begin to dominate key sectors of the economy previously under the control of Brazilian groups.

Consul has a factory in Santa *Catarina in the south of Brazil,* which produces about 300,000 refrigerators each year, as well as other electrical household goods, and employs about 4,000 people. Consul has been supplying Philips with refrigerator parts, but the contract is due to *expire shortly as Philips is* opening one of its own in the State of Sao Paulo. Consul had a net turnover of $34m. last year, which is expected to increase to $50m. this year.

Towards the end of July, the *company's managing director,* Sr. Witik Freitag, announced that a sales contract had been signed *on July 1 with* Philips Do Brasil the largest company in the electrical household goods sector. According to Sr. Freitag, 65 per cent. of Consul's voting shares, worth $76m. (£4.2m.) had passed into the hands of the Dutch company under this con*tract. Sr. Freitag explained the* motives for the sale as follows: "We sold to Philips because of its know-how, which will permit us to increase production, to introduce new products and to create new jobs." He also said that exports, now worth about $3.5m. *annually*, would increase substantially under the new control. It is also believed among business circles here that Consul preferred to merge with Philips rather than try to compete when the latter opens its new plant.

However, shortly after the announcement of the sale, Sr. Severo Gomes said that the pur*chase of the share control of a* national company' by a foreign group, without the previous authorisation of the government, was "a hostile and unacceptable act of indiscipline." Although neither Philips nor Consul was *specifically mentioned.* the reference was obvious. This was by far the strongest statement on the issue ever made by a Geisel minister. A few days later, Philips delivered a letter of consultation to Sr. Severo Gomes, and it was in reply to this letter that Sr. Severo Gomes announced his decision yesterday.

Although this is the first time that the Geisel government has intervened directly to veto a sales transaction, there were indications earlier this year that concern was growing at the increasing foreign penetration of key sectors of the economy. In particular, *some sectors of the* government expressed considerable discontent with the *unexpected announcement* in April of this year that the South African group, Anglo American Corporation, had bought 49 per cent. of the shares of Brazil's largest gold mining company, Morro Velho. No measures, however were taken to block the sale.

Lay-offs predicted for Enka

By Friso Endt

ROTTERDAM, August 7.

THIS YEAR and next year, 10,000 to 13,000 workers could be laid off at Enka Glanzstoff, the big European fibre and yarn company which employs about 43,000 people.

This is alleged to-day in the Dutch Economic Financial Weekly, Beleggers Belangen (Investors Interests). Enka Glanzstoff is suffering from heavy losses and a McKinsey market report, published by the Enka *management* last week said, that "drastic measures and adjustments" will have to be made, to save not only Enka but also to prevent Akzo—of which Enka is a subsidiary, the Dutch-based multinational, from serious financial problems.

The Dutch weekly adds that the Enka deficit for the whole of 1975 could be Fls.350m. As other divisions of Akzo are not able to make up for the Enka *losses sufficiently, it goes on*, the Akzo concern may suffer a loss of as much as Fls.200m. this year.

Layoffs at Enka could take place throughout its plants in Germany, Belgium and Holland. In these plants Enka employs about 38,000 people. In Germany, Enka employs 22,000 people and 7,000 of these may have to go. *Out of the 13,000 people work*ing in the Netherlands, 4,000 could be dismissed while from the 4,000 workers in Belgium, 1,000 may face redundancy. More detailed information should be published by Akzo later this month when the report for the second quarter is expected.

In 1972 trade unions and Enka workers in Breda were *in uproar when Enka wanted to* close down its plant there as part of a restructuring plan. The trade unions and the striking workers won their battle and the plant was kept open.

But the Dutch weekly says that now the plant in Emmen will be hardest hit. In Emmen, 5,000 people are employed by Enka and the workforce will have to *be cut back drastically*. Therefore if Breda had been closed in 1972 Emmen to-day might have been better off. The Dutch weekly alleges that trade unions must take some responsibility for all this, adding that most of the Enka plants are now apparently *operating at 50 to 60 per cent.* of capacity.

This is partly due to the recession, partly also for structural reasons. Rayon yarns are less used in Europe to-day and at to-day's wage rates cannot be produced at economic prices. Capacity will have to be reduced and therefore it is expected that the Arnhem-plant may have to be closed.

Australian long-term rates boost

By Our Own Correspondent

SYDNEY, August 7.

THE AUSTRALIAN Government has raised interest rates on its *long term* bonds to a peak of 10 per cent. in its August loan. The terms of the loan were announced to-day by the Treasurer, Mr. W. Hayden.

The cash loan, which opens on August 14, offers 8.3 per cent. for 18 month bonds, 9.5 per cent. *for five years* and 10.0 per cent. for longer term bonds. The rates are no surprise as the Reserve Bank had already manipulated the bond market in July when it stepped in and forced the long term bond rate up and short term rates lower. The long term bond rate in the May loan was 9.5 per cent. The Bank's strategy is to force investors and *institutions to move out of short*dated securities into medium and long-term maturities.

The *institutions*, particularly the banks, had been pumping funds into 13-week and 26-week Treasury notes because of uncertainty about the economy and concern that long term interest rates might rise further. Treasury notes yields have been *slashed* twice in the past month in a further effort to encourage a switch to longer maturities.

Good support for the August loan would probably convince the Government that it can hold the long term rate at 10 per cent.

NZ Eurobond issue doubled

By Mary Campbell

THE AMOUNT of New Zealands two tranche Eurobond issue has *been doubled* from $50m. to $100m. This is thought to be the largest amount ever raised in the Eurobond market at one time.

The amount of the five-year note issue has been increased from $30m. to $60m. while the amount of the seven-year paper has been raised *from* $20m. to $40m. Coupons remained unchanged from previously indicated levels of 9 and 9¼ per cent. respectively. Issue price was fixed at 99½ per cent. *for* both.

NEW YORK BOND MARKET

Postponing the issue

BY JAY PALMER

THE INCREASINGLY unsettled conditions of the New York bond markets over the last few weeks have now drawn blood in terms that anyone can *understand.* Already this week an unprecedented number (at least in modern times) of major borrowers have either postponed planned debt *offerings* indefinitely or cancelled them outright and, with interest rates continuing higher more can be expected to follow suit.

The first two withdrawals came on Tuesday when New Jersey Bell Telephone and Southern National Gas both postponed debenture issues of $75m. and $85m. respectively. On Wednesday Consolidated Edison and European Investment bank deferred their offerings of $80m. bonds and $100m. notes while the *federal home loans bank* cancelled its scheduled $200m. sale of guaranteed mortgage certificates.

All five institutions blamed the bond market's "unsettled" or "disappointing" conditions for their change of heart. The fact *that four out of the five opted* for postponement rather than cancellation hints at this being only a temporary exodus, but the visible evidence they provide of the crisis in the market must add to critics' arguments against the Federal Reserve's present tight credit stance.

The borrowers' problems are clear. Had they gone along with *their planned issues, the recent* very sharp rises in key money market interest rates would have forced them to pay high and almost self-defeating interest rates on the new paper. As it is, they have clearly decided to wait out what they apparently see as a temporary phenomenon.

The rise in market rates has been rapid. Since the end of May, virtually all key indicators have shot up with prime lending rates rising from 6¾ per cent. *to 7¼ per cent.*, commercial paper moving from 5.3 per cent. to over 6.4 per cent. and the federal funds rate (the most closely watched indicator of the *Federal Reserve's policy*) rising from 5 per cent. to 6¼ per cent. Hardly surprisingly, yields on the Treasury's weekly offering have shot to record levels for the year while bond market yields *of high grade securities* have soared over 1½ points.

> **"Last week the Treasury completed $5.8bn. worth of new issues and announced a further $6bn. *over the next two weeks* .... the normal differential against corporate returns has been sharply narrowed.**

In the face of this sort of rise, the prospective interest *charges* for new offerings was daunting. The New Jersey Bell issue would have required a return of at least 9.4 per cent. compared with the 10.1 per cent. all-time high for a Bell issue some time back and the 8.8 per cent. return secured by *another* Bell issue very recently. With some 30 per cent. of the recent Commonwealth Edison Utility issue still unsold, Con. Ed's prospects on its lower rated issue were bad. The EIB would probably have had to pay up to 9¼ per cent. *on its issue against* the 8.3 per cent. secured recently by the World Bank, and the 8.94 yield*ing Kingdom of Norway issue.*

The increased interest rate levels can be blamed on three factors—recent government debt demands, the Federal Reserve's moves to tighten credit and the continuing problems of New York City and its fiscal crisis. But while New York's crisis and struggle against *bankruptcy has* clearly had an impact on the municipal debt market, its effect on the corporate sector has been more in tone than in price.

The same cannot be said for the other two. Recent public cross-examination of Dr. Arthur Burns, the Fed's Chairman confirmed that the Fed has been operating *in the market to dry* up credit *in an attempt to bring* down the growth in money supply. Although Dr. Burns acknowledged responsibility for helping to drive up rates and *reaffirmed the Fed's aim* to hold the federal funds rates at or below present levels on any long term view, he categorically refused to promise to release credit and risk inflation until money supply growth had been cut.

While this aim *has* already been achieved on any month-to-month basis (the prospective modest *gain of 2 per cent. for* July compares with a double-digit figure the month before), it would be premature to expect any immediate relaxation. On any quarterly or longer-term average basis, money supply growth remains well above the *Fed's maximum* annual target of 7½ per cent. With wholesale food price rises sparking off fresh inflation worries, Dr. Burns can be expected to continue resisting political and market pressures to get him to change policy and ease the reins.

At the same time the corporate *bond market* has been depressed by intense price competition from the Government's very heavy wave of new offerings. Last week the Treasury completed $5.8bn.-worth of new issues and last Wednesday announced a further $6bn.-worth over the next two weeks. With this very heavy budget deficit *financing forcing* down Government bonds prices, Government yields have shot up: the normal differential against corporate returns has been sharply *narrowed.*

Traditionally Treasury issues yield anything up to 200 basis points (2 percentage points) below similarly dated corporate paper. Dealers say that historically a 75 basis point difference is the point at which the books *call for corporate* paper to be sold and cash invested in treasuries. To-day, the differential in the short maturities is a mere 10 to 15 *basis points* (9.40 per cent. to 9.55 per cent.) while in the longer maturities it is only about *50 basis points* (8.60 per cent. to 9.11 per cent). In fact so great is the rise in Treasury yields that they are now standing virtually at their long-term peaks.

With the Fed almost certain to maintain its tight hand on credit *and possibly even clamp* down harder if the latest Russian wheat deal shows any further signs of sending food prices and inflation higher, prospects for relief there seem small. At the same time, the continuing heavy supply of new Treasury issues *(combined with hardly any new* corporate offerings) can be expected to add to the corporate sector's unsettled state.

German furniture men face thin times

BY GUY HAWTIN, FRANKFURT, August 7.

WEST GERMANY'S furniture industry has been told to expect only low growth rates for the remainder of this decade.

Commerzbank, the nation's third largest commercial bank, *has completed a study* of the industry which concludes that up to 1980 furniture manufacturers *are only likely to achieve* between 2 per cent. and 4 per cent. real growth a year.

Families in the federal republic have on average re-equipped themselves with furniture very seven years. This rate of consumption is considerably higher than British levels and has provided West German manufacturers with relatively *high growth rates. However, the* Commerzbank concludes that the re-equipment period is lengthening.

The West German furniture industry has since the middle of 1973 found itself in a difficult situation, said the bank. Traders turnover and incoming orders gave little encouragement for increased hopes of improvement in *the near future.*

In the first five months of the business year, the fall in overall production appeared to have stabilised at 1.4 per cent. However, there had been widely varying performances from sector to sector.

In total, the 1974 production cutback amounted to 2.4 per cent. and would have been greater, had not export business been particularly good. Germany, says the bank, is the largest exporter of furniture in the world with its main markets situated in the Benelux countries, France, Austria and Switzerland. Last year, cash *turnover increased by only 3 per* cent. to DM13.2bn. while exports which totalled DM1.9bn. were up by 21 per cent.

Upsala taking over Aafors group

BY WILLIAM DULLFORCE, STOCKHOLM, August 7.

UPSALA-EKEBY, the Swedish porcelain concern owning the Roerstrand, Gefle and Hackefors brands, is taking over for an undisclosed sum the Aafors *glass-making* group, this includes the well-known Kosta and Boda works and is one of Europe's largest domestic glass manufacturers with sales of some Kr.90m. (just under £10m.) a year. The new porcelain-glass combine with a turnover of *roughly Kr.310m. (£23m.)* is to launch an export drive under the motto "Everything for the table."

The Aafors group has been a family concern with 70 per cent. of the equity owned by the Aafors brothers. Like other *Swedish glass-makers*, it has suffered from low profitability: a recent survey of the industry showed an average return on working capital of 0.2 per cent.

Aafors chairman Ulf af Trolle explained that the group had reached a limit with its present *product range and had to offer a* wider choice, if exports were to be increased. In 1974 the group showed "a certain profit" but had been hard pressed by rising raw material and energy costs.

If Swedish hand-made glass were to compete successfully with cheaper Czech producers, it had to go in for a narrow but sophisticated product range, aimed at a wider export market. The Upsala-Ekeby concern has considerable liquid reserves to back up the combined export drive, which Mr. af Trolle hopes will raise the export share from 40 to 60 per cent. of sales within a few years.

Hopes for creditors of Dr. Rosenbaum

BY L. DANIEL, TEL AVIV, August 7.

THE HOPE that creditors of Dr. Rosenbaum's International Credit Bank of Geneva and his Vaduz companies may be able to recover between 33-50 per cent. of the amounts owed to them was expressed here to-day by the Director of the Israel Corporation, I. Gal-Edd. This estimate, he explained, is based on current figures for the assets of Dr. Rosenbaum.

In addition, the solicitor of Michael Tsur (the former director of the Israel Corporation who permitted the deposit of $9m. of the corporation's fund and $11.5m. belonging to Zim Israel Navigation Company in Dr. Rosenbaum's Vaduz companies) has informed the I.C. of Tsur's willingness to "transfer to the corporation" Tsur's rights in several companies abroad. But, Gal Edd stressed, it is far from clear whether these "rights" have not been pledged to other creditors, nor is their size known at present.

Gal Edd also disclosed that he *had met with one of the three* Swiss liquidators of the International Credit Bank who came to assess the value of Dr. Rosenbaum's assets here (mainly shares in two large textile concerns) but that it had not yet been decided whether the Israel Corporation would receive some of these shares or whether they would be sold off and the proceeds proportionally distributed *among* the various creditors.

The three court-appointed Swiss liquidators have till November to put proposals before the court for the settlement of the claims of all Dr. Rosenbaum's creditors.

ITT SEES LOSS

NEW YORK, August 7.

INTERNATIONAL Telephone and Telegraph Company will probably report a loss on foreign currency translations for the second quarter, president Francis J. Dunleavy has said.

Mr. Dunleavy, following an address at the Fordham University Graduate School of Business, said in an interview that the loss will probably offset the modest translation gain during the first quarter.

Mr. Dunleavy did not specify the amount of the loss or make any projection on second-quarter earnings, which, he said, will be announced in a couple of days.

Reuter

Canon predicts recovery

TOKYO, August 7.

CANON for the first half of 1975, reports a net loss of Y172m. against a profit of Y323m. in the *preceding quarter.*

Gross sales were Y33.8bn. (Y36.05bn.) and the dividend is nil (Y2).

The company attributed the loss partly to higher costs due to production cutbacks forced by a slump in desk-top electronic calculator sales.

It said it expects net profit of Y400m. in the current six months, as a recovery in the U.S. market is anticipated, and production cutbacks are being eased.

Sales in the current term are expected to increase to Y37,000m., but Canon declined to forecast whether the dividend payment will be resumed.

Reuter

GOLD FIELDS GROUP

VOGELSTRUISBULT METAL HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

INTERIM REPORT

The consolidated unaudited profit of the company and its wholly-owned subsidiary Struisbult Investments Limited for the six months ended 30 June 1975, is:

	6 Months ended 30 June 1975 R000	6 Months ended 30 June 1974 R000	Year ended 31 Dec. 1974 R000
Income from investments	691	652	1,372
Surplus on realisation of investments	—	53	53
Sundry revenue	43	63	99
	734	768	1,524
Less	60	70	605
Administration expenses	60	70	130
Amount written off investments	—	—	475
Profit before taxation	674	698	919
Transfer from deferred tax	—	—	2
Profit attributable to members	674	698	921
Earnings — per share (cents)	4.4	4.6	6.0
Dividends — per share (cents)	2.5	2.5	6.0
— amount absorbed (R000)	383	383	920

NOTES ON THE RESULTS

Investments

Each listed investment is written down when the market value is below the book value at the end of a financial year. No provision is made in the accounts for the interim period, but the depreciation at 30 June, 1975, was R22,000 (1974—R59,000).

PARTICULARS OF LISTED INVESTMENTS	At 30 June 1975	At 30 June 1974	At 31 December 1974
Stock Exchange value (R000)	10,910	8,874	7,243
Book value (R000)	6,579	7,025	6,558
Excess in Stock Exchange value	4,331	1,849	685

DECLARATION OF DIVIDEND

A dividend, No. 57 of 2.5 cents per share, has been declared in South African currency, payable to members registered at the close of business on 22 August, 1975.

Warrants will be posted *on or about 23 September, 1975.*

Standard Conditions relating to the payment of dividends are obtainable at the share tarnsfer offices and the London Office of the company.

Requests for the payment of the dividend in South African currency by members on the United Kingdom Register must be received by the company on or before 22 August, 1975, in accordance with the above mentioned Conditions.

The Register of Members will be closed from 23 to 29 August, 1975, inclusive.

On behalf of the Board,
R. A. HOPE Chairman } Directors
M. B. FORSYTH

Head Office:
Gold Fields Building,
75, Fox Street,
Johannesburg.
2001.

London Office
49, Moorgate,
London, EC2R 6BQ.

7 August, 1975.

United Kingdom Registrars:
Lloyds Bank Limited,
Registrar's Department,
The Causeway,
Goring-by-Sea,
Worthing,
West Sussex BN12 6DA.

SELECTED EURODOLLAR BOND PRICES MID-DAY INDICATIONS

	Bid	Offer
STRAIGHTS		
Amax 8¾pc 1986	99	100
Ashland 8pc 1987	90	91
Austraswiss 8pc 1987	89	90
BFCE 8pc 1989	88	89
Borregaard 8½pc 1989	92	93
Carrier 8pc 1987	88½	89½
Conoco 8pc 1986	95	96
Consd. Foods 7¾pc 1991	93½	94½
Cutler Hammer 8pc 1987	90½	91½
EIB 9¾pc 1986	99½	100½
Esso 8pc 1986 Nov.	98½	99½
General Cable 8¾pc 1987	89	90
General Motors 8¾pc 1986	102	103
GTE 8¾pc 1986	97	98
ICI 7¾pc 1992	89	90
Nat. Grindlays 7¾pc 1987	77	79
Pacific Light 8pc 1988	89½	90½
Prov. of Quebec 7¾pc 1988	86½	87½
Quebec Hydro 8½pc 1989	95	96
Queensland 8½pc 1987	88	89
Scanraff 8¾pc 1989	96	97
Shell 8pc 1990	97	98
Standard Oil (Inc.) 8¾pc '80	99	100
Tenneco 7¾pc 1987	87	88
Transocean 8pc 1986	95	96
TRW 8¾pc 1986	96½	97½
Utah 8pc 1987	91	92
Volvo 8¾pc 1983	99	100
NOTES		
Air France 9¾pc 1982	100½	101½
Austr. Ind. Dev. 10¼pc '81	102	103
Barclays 7¾pc 1978	96½	97½
Cie Ntl. du Rhone 10pc '82	101½	102½
Du Pont 7¾pc 1978	100	101
Esso 7¾pc 1978	99½	100½
General Motors 8¾pc 1978	100½	101½
Marubeni 8¾pc 1982	98½	99½
Nippon Fudosan 10¾pc 1981	101½	102½
Skand. Enskilda 10½pc 1981	103	104
Tenneco 7¾pc 1979	98	99
Tokyo Curacao 10¾pc 1981	101½	102½
Source: White Weld Securities.		
CONVERTIBLES		
American Express 4¼pc '87	85	87
Ashland 5pc 1988	77	79
Beatrice Foods 4¼pc 1992	91	93
Beatrice Foods 4½pc 1992	90	92
Borden 5pc 1992	87	89
Broadway Hale 4¾pc 1987	74	76
Canon Camera 7¾pc 1990	84	86
Carnation 4pc 1987	54	56
Chevron 5pc 1988	97	99
Dart 4¾pc 1987	84	86
Eastman Kodak 4½pc 1988	110	112
Economic Labs. 4¾pc 1987	83	85
Eidai 7¾pc 1989	90	92
Ford 6pc 1986	88	89
Ford 5pc 1988	72	74
Fuji 6¾pc 1986	106	
General Electric 4¼pc 1987	84	86
Gillette 4¾pc 1987	76	77
Gould 5pc 1987	80	82
Halliburton 4¼pc 1987	129	131
Harris 5pc 1992	66	68
Hitachi 6¾pc 1984	100	
Honeywell 6pc 1986	76	78
ITT 4½pc 1987	65	68
Komatsu 7¼pc 1990	102	103½
J. Ray McDermott 4¾pc '87	126	128
Mitsui 8¾pc 1989	127	
J. P. Morgan 4¾pc 1987	107	109
Motorola 4½pc 1983	113	115
Owens Illinois 4½pc 1987	86	88
J. C. Penney 4½pc 1987	80	82
Pioneer 6¾pc 1989	128	133
Rand Selection 6¾pc 1986	94	96
Rank 4¾pc 1993	40	42
Revlon 4¼pc 1987	96	98
Sperry Rand 4¼pc 1987	93	95
Squibb 4¼pc 1987	83	85
Toshiba 6¾pc 1990	100½	101½
Union Carbide 4¾pc 1982	99	101
Warner Lambert 4¼pc 1987	91	93
Warner Lambert 4¾pc 1988	78	80
Xerox 5pc 1988	74	76
Source: Kidder, Peabody Securities.		

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مكرر من الاصل

NORTH SEA OIL REVIEW

BY ADRIAN HAMILTON

A Bill modified to meet the industry's views

THE much-criticised Petroleum and Submarine Pipelines Bill now appears almost certain to be passed this autumn with some substantial Government amendments introduced in response to oil industry objections to its terms of administrative control over exploration, development and pipeline investment.

Industry hackles seem to be rising again, on the other hand, following demands by the Department of Industry for a new code of conduct for ordering off-shore equipment and services and ensuring maximum British participation in the off-shore market. There are also reports of a potentially damaging dispute now arising between companies and the Crown Estates Commission over the latter's demands for a transit fee for oil and gas landed across the country's foreshore by pipeline.

On the whole, the industry's reactions to the revised Petroleum and Submarine Pipelines Bill—which had its second reading in the House of Lords yesterday — appear to be fairly good. There remain the outright objections to the whole concept of the British National Oil Corporation, of course, and there is still particular resentment over the Government's refusal to change the rules releasing the Corporation from its obligations to pay Petroleum Revenue Tax. Various assurances have been given, however, that the Corporation will have to transfer oil to any refining or marketing subsidiary at the market price and that it will behave commercially in its dealings with the industry. But on the specifics of Department control over depletion rates and investment programmes, an area where the industry worries were most forcefully expressed, the Government amendments seem to have gone some way to meeting earlier objections.

On the depletion question, the Department of Energy has now changed the original proposals so that any action to reduce output "in the national interest" can only be instituted after a certain number of years and within certain limits under a "limitation notice" to be agreed with the companies before any development investment is made. This will be accompanied by the stricter provision that any enforced increase in output can only be ordered in a national emergency and only when the cost does not exceed the drilling of a well.

The changes still leave the Government considerable power to supervise development and to enforce programmes on a company without arbitration should the company fail to agree on a limitation notice. But provided that the rules are interpreted within the present spirit of official intentions, most companies feel that they can live with them.

The same seems to be broadly true of the other changes made to the Bill, and in particular to the new model licence clauses. On the question of continuing exploration programmes beyond the six-year period agreed in the original licence contracts, the Government has now added that programmes will only be required on the lines which a conscientious operater would carry out his own commercial interests and there are now arrangements for arbitration on this.

On the issue of pipeline investment, the Department has agreed that it will only order companies to vary the route and capacity of a pipeline when representations are made to the Secretary of State by a third party and when that third party pays the additional cost involved. In considering applications by third parties to use pipelines, the Government will also take into account not only the pipeline-operating companies' immediate requirements but also their expectations for future use. Similarly, on the question of the Government's right to take royalties in kind, the Bill has been changed so that companies get reasonable forewarning of the Government's intentions.

One of the more controversial aspects of the industry North Sea negotiations now being conducted is the surprising news that the Crown Estates Commissioners are seeking a throughput tariff, or royalty, on oil and gas piped across the foreshores of the country's coast (which belong to the State and are administered, as far as their commercial use is concerned, by the Commissioners). The negotiations seem to be in the hands of the Valuation Office in Scotland and neither the Commissioners nor the oil companies is prepared to comment on them.

Some reports suggest, however, that the Valuation Office, which normally agrees a rental or lump sum payments for occasions such as this when a company wishes to erect works or cross the foreshore in this instance is asking for a fee per ton moved on the basis of what it regards as the precedent set by the Shetland Isles in their negotiations with the Brent and Ninian pipeline operators. The size of the fee being asked has not yet been disclosed, although it is not thought to be on the same scale as that involving the Shetlands.

Friction

But the companies involved—which presumably include British Petroleum as operator of both the Forties Field line and the Ninian pipeline, Occidental as operator for the Piper line to the Orkneys, and Shell as operator for the Brent line to the Shetlands—are likely to object both to the principle of such a change from rental to throughput demands and the suggestion that this is the form established in the Shetlands agreement for disturbance payments. Obviously the potential additional cost for the companies is important. Equally important, if not more so, may be the whole issue of precedents which such an agreement with the Commissioners might set for other pipelines in the U.K. or elsewhere. With BP due to start producing from the Forties Field this October, the issue could prove an embarrassing one, particularly if no agreement can be reached.

Another problem in the North Sea at the moment is the question of the rules of conduct for ordering British equipment and supplies off-shore. The issue, despite all the bland public statements by ministers and companies of good relations and good intentions, has never been an easy one and the activities of the Offshore Supply Office have caused friction in the past with companies which object to the degree of intervention by the Office in their tender and contracting practices.

The Offshore Supplies Office's latest move has been to send a letter to the Offshore Operators Association suggesting a "Draft Memorandum of Understanding" and a "Code of Practice" on ordering to be agreed voluntarily with the companies. The proposed procedures which the companies would agree to follow, both on their own behalf and on the behalf of their main sub-contractors, is represented largely as a confirmation of existing practice, restating the air of ensuring that U.K. industry be given full and fair opportunity to compete and of encouraging British industry to create new capacity or technology where it is deficient.

Tenders

The suggested code of practice goes into some detail on tender specifications and conditions, partly in response to what the OSO regards as misbehaviour by certain companies in recent contracts, and also suggests that the OSO be given not less than a week to look at and respond to any award decision by the company before the selected supplier is notified.

The reasons for the Government's desire to push the companies towards ordering more British equipment are clear enough when last year's figures for the U.K. share of the market produced by the OSO and included in the accompanying table are studied and when it is remembered that the overall rate of expenditure now appears to be reaching a plateau if not actually declining slightly in real terms. The general picture given by the figures—published for the first time—is not very different from that which has been clear for some time, although the figures contrast oddly with the rather bland statements of 50 per cent. British participation given by Ministers over the past year. On the capital goods side, British representation is far from bad but on the off-shore installation, drilling and services side and, most important, in the areas where particular technology is most required, it is rather poor.

"Offshore Oil and Gas: A summary of orders placed during 1974," available from the Stationery Office, price 30p.

OFFSHORE OPERATING COMPANIES' ORDERS, 1974 (£m.)

Item	Total	U.K. content	U.K. %
CAPITAL GOODS			
Fabrications			
Production platforms—concrete	161	60	37
Production platforms—steel	87	56	64
Modules and other fabrications	187	94	50
Production plant			
Power generation equipment	22.4	18.5	83
Pumps	5.8	5.1	88
Compressors	8.5	3.5	41
Process plant and equipment	11.9	9.5	80
Pipe and fittings			
Pipe	85	6.1	7
Pipe coating	25.8	23.3	90
Pipe fittings	18.5	9.0	49
Casing	26.7	11.7	44
Miscellaneous			
Communications equipment	8.0	6.8	85
Wellhead and completion equipment	8.7	5.3	61
Safety equipment	3.8	3.6	95
Total for Capital goods	660	312	47
SERVICES			
Exploration and drilling			
Rig hire	146	37	25
Surveys	14	11	79
Drilling tools and equipment	13.3	6.3	47
SERVICES contd.			
General services			
Pipe laying	127	22.7	18
Installation operations	123	7.7	6
Diving	7.4	3.1	42
Helicopter and air services	13.4	8.0	60
Marine transport	21.2	11.7	55
Mud logging and well testing	9.7	6.0	62
Barytes and mud chemicals	6.6	4.2	64
Cementing services	3.2	1.9	59
Inspection testing and maintenance	6.7	4.6	69
Other services	42.3	28.8	68
Total for services	534	153	29
ENGINEERING			
Design and consultancy	85	51	60
GRAND TOTAL	1279	516	40
Less			
Value of orders placed in areas where there is little current U.K. capability	481	74	15
Performance in areas of U.K. capability	798	442	55

Source: Offshore Oil and Gas: A Summary of orders placed (SO 30p).

GOLD FIELDS GROUP

NEW WITWATERSRAND GOLD EXPLORATION COMPANY, LIMITED

(Incorporated in the Republic of South Africa)

PRELIMINARY ANNOUNCEMENT OF RESULTS

The audited consolidated profit for the year ended 30 June 1975 is as follows:—

	Year ended 30 June 1975 R000	Year ended 30 June 1974 R000
Income from investments	2,994	2,051
Profit on realisation of investments	948	2,351
Profit on sale of mineral rights	1,197	—
Other income	60	184
	5,199	4,586
Deduct:	423	580
Administration and general expenses	312	204
Amount written off assets and investments	111	376
Profit before taxation	4,776	4,006
Less:	878	975
Taxation	787	907
Minority shareholders' interest	91	68
Profit attributable to members	3,898	3,031
Dividends declared—	2,311	1,617
February (December) 7.0c (5.0c)	809	577
August 13.0c (9.0c)	1,502	1,040
Profit retained	1,587	1,414
Earnings per share—cents	33.7	26.2
Times dividend covered	1.7	1.9
Net asset value per share—cents	384	350

These results are published in advance of the annual report which will be circulated to members in September 1975.

Profit on the sale of mineral rights arises as a result of the sale of the chrome rights over farm Grooteboom No. 336 K.T., district Lydenburg, the proceeds of which were brought to account this year and which matter was fully dealt with in this company's annual report last year and the sale of mineral rights and prospecting claims on the farms Doornkop and Zuurbult, district Roodepoort, the sale of which formed the subject of an announcement in the press on 7 July 1975.

The profit is made up as follows:—

	R000
Farm Grooteboom	1,000
Farms Doornkop and Zuurbult	197
Total	1,197

Due to continuing losses being incurred by Star Diamonds (Proprietary) Limited it was considered advisable to write down the fixed assets of that company by utilising the entire balance standing to the credit of non-distributable reserve in the accounts of that company at 30 June 1975.

DECLARATION OF DIVIDEND

Dividend No. 49 of 13.0 cents per share in respect of the year ended 30 June 1975 has been declared in South Africa currency, payable to members registered at the close of business on 22 August 1975.

Warrants will be posted on or about 25 September 1975.

Standard Conditions relating to the payment of dividends are obtainable from the share transfer offices and the London Office of the company.

Requests for payment of the dividend in South African currency by members on the United Kingdom Register must be received by the company on or before 22 August 1975 in accordance with the above-mentioned Conditions.

The Register of Members will be closed from 23 to 29 August 1975, inclusive.

LONDON OFFICE:
49 Moorgate, EC2R 6EQ.

UNITED KINGDOM REGISTRAR
Lloyds Bank Limited,
Registrar's Department,
The Causeway,
Goring-by-Sea,
Worthing,
West Sussex BN12 6DA.

7 August 1975

By order of the Board,
C. E. WENNER,
H. J. GREEN,
Joint London Secretaries

BRITANNIC ASSURANCE COMPANY LIMITED

INTERIM STATEMENT

The premium income and new business figures for the half-year ended 30th June, 1975 were as follows (the corresponding figures for the six months to 30th June, 1974 are shown in brackets):

	£	£
Premium Income		
Ordinary Branch		
Annual premiums	5,243,000	(4,943,000)
Single premiums and annuity consideration	112,000	(211,000)
Industrial Branch	15,030,000	(13,462,000)
General Branch	2,166,000	(1,875,000)
New Business Figures		
Ordinary Branch		
Renewal premiums per annum	950,000	(762,000)
Sums Assured	39,251,000	(27,894,000)
Industrial Branch		
Renewal premiums per annum	4,165,000	(3,622,000)
Sums Assured	53,918,000	(46,849,000)

COMPANY NOTICES

VOTING NOTICE

to the holders of
European Depositary Receipts for
Common Stock of

Trio Kenwood Corporation

(Formerly Trio Electronics Inc.)

DESIGNATED COUPON No. 21

(Action Required on or prior to 15th August, 1975)

Chemical Bank, as Depositary (the "Depositary") under the Deposit Agreement dated as of May 1st, 1970, among Trio Kenwood Corporation, (the "Company"), the Depositary and the holders of European Depositary Receipts (the "Receipts") issued thereunder in respect of shares of Common Stock, par value 50 Yen per share, of the Company (the "Common Stock"), HEREBY GIVES NOTICE that the Custodian under such Deposit Agreement has received notice of a general meeting of stockholders of the Company to be held in Tokyo, Japan on 19th August, 1975.

The following, taken from the notice of the general meeting to be given by the Company, are the matters to be voted on at such meeting:

1) Approval of Balance Sheet as of May 20, 1975, Business Report, Statement of Profit and Income and Proposed appropriation of unappropriated Retained Earnings for the 41st Term (Nov. 21, 1974 through May 20, 1975).
2) Partial amendment to the Articles of Incorporation.
3) Election of 10 Directors due to the expiration of the Term of Office of all the Directors.

Such notice and the report or reports to be delivered in connection therewith, together with English translations of both, will, when received, be available for inspection at the office of the Depositary in London and the office of any of the following Sub-Depositaries:

SUB-DEPOSITARIES

Chemical Bank,
Frankfurt/Main, Germany.
Banque Lambert-Luxembourg, S.A.
Luxembourg City, Luxembourg.
Pierson, Heldring & Pierson,
Amsterdam, The Netherlands.

Voting rights under such Deposit Agreement may be exercised through the Depositary by holders of Coupon No. 21 by completion of the form of proxy instructions for the matters to be voted on. Such form of proxy instruction is available at the office of the Depositary in London on any Sub-Depositary listed above and provides also for instruction to the Depositary to give a discretionary proxy to a person designated by the Company.

The Depositary will endeavour to vote the Common Stock represented by a Receipt as instructed if such form of proxy instruction, properly completed and accompanied by Coupon No. 21 detached from such Receipt, is received by the Depositary or any such Sub-Depositary on or prior to 15 August, 1975.

In the absence of instructions by holders of Coupon No. 21 the Depositary may, in its discretion, give a discretionary proxy to a person designated by the Company, but no representation is made that it will do so. The Depositary is not permitted by such Deposit Agreement to give a discretionary proxy in the absence of instructions from coupon holders with respect to any proposition (1) as to which the Depositary has knowledge of any substantial contest as to the action to be taken at the meeting or (2) for the purpose of authorizing a merger, consolidation or any other matter which may affect substantially the rights or privileges of Common Stock or other securities on deposit with the Custodian under such Deposit Agreement.

Dated: 8 August, 1975

CHEMICAL BANK, as Depositary
10, Moorgate,
London, EC2R 6DD, ENGLAND.

May 20, 1975, has been established as the record date for the determination of the Stockholders of the Company entitled to notice of and to vote at such meeting. All Receipts issued in respect of Common Stock not entitled to be voted at such meeting will be without Coupon No. 21 attached.

REED PAPER GROUP LIMITED

6¾% 1968/83 UA 12,000,000

Notice is hereby given to bondholders of the above Bonds that the amount redeemable on October 15, 1975 i.e. UA 1,000,000 was bought in the market.

Amount outstanding: UA 8,000,000.

THE TRUSTEE
KREDIETBANK
S.A. Luxembourgeoise

Luxembourg,

August 8, 1975.

GREATERMANS NATAL AND FREE STATE HOLDINGS LIMITED

NOTICE TO 6%, SECOND 6% AND THIRD 6% PREFERENCE SHAREHOLDERS

DIVIDENDS ON 6%, SECOND 6% AND THIRD 6% PREFERENCE SHARES

NOTICE IS HEREBY GIVEN that the Board of Directors has declared the following dividends payable on the 30th September, 1975, to 6%, Second 6% and Third 6% Preference Shareholders registered in the books of the Company at the close of business on Friday, 22nd August, 1975:

A. 6% REDEEMABLE CUMULATIVE PREFERENCE SHARES—DIVIDEND NO. 33.
A dividend at the rate of 6% per annum for the six months ending 30th September, 1975—equivalent to 6 cents per share.

B. SECOND 6% REDEEMABLE CUMULATIVE PREFERENCE SHARES—DIVIDEND NO. 33.
A dividend at the rate of 6% per annum for the six months ending 30th September, 1975—equivalent to 6 cents per share.

C. THIRD 6% REDEEMABLE CUMULATIVE PREFERENCE SHARES—DIVIDEND NO. 11.
A dividend at the rate of 6% per annum for the six months ending 30th September, 1975—equivalent to 6 cents per share.

The dividends are declared in South African currency and dividends payable from the London Office will be paid in United Kingdom currency calculated at the rate of exchange ruling between Rand and Sterling on the 23rd September, 1975.

Dividend cheques despatched from the London Office to persons resident in Great Britain or Northern Ireland will be subject to a deduction of United Kingdom Income Tax at rates to be arrived at after allowing for relief (if any) in respect of South African Taxes.

The Company will, where applicable, deduct the Non-Resident Shareholders' Tax—the effective rate of which at present in force in respect of the Company is 13.125%—from dividends payable.

For the purpose of paying the above dividends the 6%, Second 6% and Third 6% Preference Share Registers will be closed from the 23rd August to the 5th September, 1975, both days inclusive.

Dividend cheques in payment will be posted on or after the 30th September, 1975.

BY ORDER OF THE BOARD.
I. B. MEHL,
Secretary.

Registered and Transfer Office:
220 Commissioner Street,
JOHANNESBURG.
London Office:
165, Kings Road,
Brentwood,
ESSEX.

OTZAR HITYASHVUTH HAYEHUDIM B.M.

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING, being the Twentieth Ordinary General Meeting of this Company, will be held at the Registered Office, 26-28 Yehuda Halevy Street, Tel Aviv, on Tuesday, 12th August, 1975, at 12.00 noon for the following purposes:

1. To receive and consider the Accounts for the year ended 31st December, 1974 and the Reports of the Directors and Auditors thereon;
2. To declare a dividend;
3. To elect Directors;
4. To appoint Auditors and fix their remuneration;
5. To transact any other business of the Company required to be dealt with at such Meeting.

By Order of the Board
Z. Birnbaum
Secretary.

Tel Aviv 15th July, 1975.

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the above-named Company will be held at the Registered Office, 26-28 Yehuda Halevy Street, Tel Aviv, on Tuesday, 12th August, at 12.10 p.m. for the purpose of considering and if thought fit, passing the following Resolutions as Special Resolutions viz:

RESOLUTIONS

1. THAT a sum of IL.5,858,622 be appropriated from Capital Reserves (out of the Company's share in the Capital Reserves of Bank Leumi le-Israel B.M. and its subsidiaries) to a Reserve for the proposed distribution of Capitalisation Shares.
2. THAT the sum of IL.5,858,622 thereafter standing to the credit of the Reserve for the proposed distribution of Capitalisation Shares be and the same hereby is capitalised and freed for distribution among those members whose names appear on the Register of Members of the Company as holders of Ordinary Stock on 17th August, 1975, and THAT the Directors be and they hereby are authorised and directed to appropriate the said sum of IL.5,858,622 to such holders of Ordinary Stock at the rate of 35% and to apply the said sum of IL.5,858,622 on their behalf in the paying up in full of 5,858,622 unissued Ordinary Shares of IL.1 each in the capital of the Company for allotment and distribution as fully paid up to and amongst such holders of Ordinary Stock of the Company in the proportion aforesaid.
3. THAT when issued as above such shares shall be converted into Stock such IL.5,858,622 worth of Ordinary Stock ranking pari passu with all the issued Ordinary Stock of the Company.

By Order of the Board.
Z. Birnbaum
Secretary

Tel Aviv 15th July, 1975

NOTES A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote in his place. Such proxy must however be a member of the Company.

The transfer books of the Company will be closed from 17th August until 27th August, 1975 both days inclusive.

Capitalisation Shares arising from fractions will be sold and the proceeds will be remitted to the persons entitled thereto.

OTZAR HITYASHVUTH HAYEHUDIM JEWISH COLONIAL TRUST LIMITED

NOTICE IS HEREBY GIVEN, that the Annual General Meeting, being the Seventy-sixth Ordinary General Meeting of this Company, will be held at the Offices of Bank Leumi le-Israel B.M., Tel Aviv, on Tuesday, 12th August, 1975, at 12.20 p.m. to receive and consider the Directors' Report and Accounts for the year ended 31st December 1974; to elect Directors; to fix the remuneration of the Auditors; and to transact any other business of the Company required to be dealt with at such Meeting.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his place. Such proxy need not be a member of the Company.

By Order of the Board.

A. DORON
A. I. FREEDMAN
Joint Secretaries

4-7 Woodstock Street,
London W1R 1HD,
15th July, 1975

LEGAL NOTICES

No. 002573 of 1975

In the HIGH COURT of JUSTICE Chancery Division Companies Court In the Matter of SMITH-MANTELL MEDICAL LIMITED and In the Matter of The Companies Act, 1948.

Notice is hereby given, that a PETITION for the WINDING UP of the above-named Company by the High Court of Justice was on the 30th day of July, 1975, presented to the said Court by Portex Limited whose registered office is at Cricklewood, London, N.W.2, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, WC2A 2LL on the 13th day of October, 1975, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

WM. F. PRIOR & CO., Temple Bar House, 23/28 Fleet Street, London, E.C.4. Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 10th day of October, 1975.

No. 002569 of 1975

In the HIGH COURT of JUSTICE Chancery Division Companies Court In the Matter of STANDFIELD PROPERTIES Limited and In the Matter of The Companies Act 1948

Notice is hereby given that a PETITION for the WINDING UP of the above-named Company by the High Court of Justice was on the 30th day of July, 1975 presented to the said Court by London and County Securities Limited, whose registered office is situate at 3 London Wall Buildings, London EC2M 5PB by its Liquidator Richard Norman Darbey Langdon of St. Mary Axe House, 56/60 St. Mary Axe, London EC3. And that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 13th day of October, 1975, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing in person or by his Counsel for that purpose: and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

TITMUSS SAINER AND WEBB,
2 Serjeants Inn, London EC4Y 1LT.
Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on or send by post to the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any), and must be served or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 10th day of October, 1975.

BANK OF NEW SOUTH WALES

Correction to the announcement made on the 7th August.

The original base rate was 9.5%, not 9.1%. Therefore, the base rate for lending has now been increased from 9.5% to 10% per annum.

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at the unbeatable rent of only
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Rent £4,200 per year
exclusive rates
Offers over £35,000
will be considered
Apply: F.B.J. c/o Kidsons,
Columbia House, 69, Aldwych,
London.

PRESTIGE OFFICES
8,000 square feet
Banbury, Oxfordshire
A self-contained and impressive building recently rebuilt to a high standard retaining a fine Georgian facade. Situated in the primary office area of this expanding South Midland town. Direct commuter link to London. Fully centrally heated accommodation, passenger lift, telex, 40 line PABX. Ideal as headquarters or regional office.
PHILIP MORRIS & CO.,
Chartered Surveyors, 1a Meer St., Stratford upon Avon. (0789) 68921.

GROSVENOR STREET, W.1. £9.90 per sq. ft. per annum. Luxurious offices with furniture and finishing to your own requirements and including cleaning, rates, heating and lighting and telephones share Telex, copier and reception. Total of 950 sq. ft. available. Other offices available. Tel. 01-499 9218.

WINDSOR SPACE LOCATOR. Office suites and buildings always available. Details of commercial and recreational facilities available to all applicants free. Consult A. C. Frost and Co., 3, High Street, Windsor. Tel: Windsor 54555/8.

FURNISHED OFFICES from £11 per week. Very close to Piccadilly Circus and Regent St. Tel. 01-499 9218.

ROYAL BOROUGH of Windsor. Offices to let 2,000 sq. ft. to 10,000 sq. ft. approx. Possession by arrangement in 1975 or 1976. Taylor Rose Surveyors, 27 Albemarle Street, London W1X 3FA. Tel. 01-492 1607.

HIGH WYCOMBE — new shop unit in prime central position 27 ft. frontage 1,846 sq. ft. Full details, SMITH & COMPANY, 3 Easton Street, High Wycombe Bucks. Tel. High Wycombe 35571.

WANTED SHORTLY fully serviced and furnished single office 160-225 sq. ft. Preferably West End but any reasonably central situation considered — Write with details Box A.5187, Financial Times, 10 Cannon Street, EC4P 4BY.

BROMLEY—£2.50 per sq. ft. for 3,600 sq. ft. of spacious offices in need of redecoration. Apply Baxter Payne & Lepper, 19 East St., Bromley. 01-464 1181.

HIGH WYCOMBE—new first- and second-floor office space in prime central position. 3,324 sq. ft. First class specification. Full details SMITH & COMPANY, 3 Easton Street, High Wycombe, Bucks. Tel. High Wycombe 35571.

FOR INVESTMENT

Dickinson, Davy & Markham
10, Wrawby Street, Brigg.
Telephone 3666

VALUABLE FREEHOLD AGRICULTURAL INVESTMENT SOUTH HUMBERSIDE
8 miles Immingham : 17 miles Grimsby
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WOLD LAND FARM
312 ACRES
Subject to Annual Agricultural Tenancy
FOR SALE BY PRIVATE TREATY
at a price which gives a realistic return on the investment with every prospect of substantial capital growth.
Full details in particulars obtainable from the Agents.

CONTRACTS AND TENDERS

REPUBLIQUE ALGERIENNE DEMOCRATIQUE & POPULAIRE
MINISTERE DE L'INDUSTRIE ET DE L'ENERGIE
SOCIETE NATIONALE DE L'ELECTRICITE ET DU GAZ

International invitation to tender

The Société Nationale de l'Electricité et du Gaz has launched an international invitation to tender for the research, study and installation of 220 KV and 60 KV electric power-transmission lines.

The following requirements are the subject of tender:

- **Lot No. 1 : 400 Kms overhead electric lines**
- **Lot No. 2 : 220 Kms overhead electric lines**
- **Lot No. 3 : 450 Kms overhead electric lines**
- **Lot No. 4 : 25 Kms underground cables**

The tender concerns the research, supply of pylons and overhead electric lines, the installation and putting into operation of the lines. SONELGAZ will, however, supply the chain equipment, insulators and underground cables.

Companies wishing to tender should send their applications and references to the address below before August 30, 1975:

S.O.N.E.L.G.A.Z.
DIRECTION DE L'EQUIPMENT ELECTRIQUE
DEPARTEMENT LIGNES & POSTES
2 BD. SALAH BOUAKOUIR
ALGIERS
Telephone: 64.82.60
Telex: 528 98 SONEGDG

COMPANY NOTICES

RMP

RAND MINES PROPERTIES LIMITED

(Incorporated in the Republic of South Africa)

MINING OPERATIONS

In the quarterly results of the three gold mines of this company published in July 1975, it was indicated that the scale of operations was being reduced. It has now been decided that the operations at Consolidated Main Reef Mines and Estate Limited which have been on a very small scale for some time should be suspended from the 15th August 1975 until such time as a more favourable relationship between the price of gold and mining costs again justifies further mining.

J. B. MAREE
Executive Chairman.

8th August, 1975.

BEARER DEPOSITARY RECEIPTS

Representing Common Stock of
ASAHI CHEMICAL INDUSTRY LTD.

A distribution of $0.20 per depositary share less any applicable taxes will be payable on and after July 31, 1975 upon presentation of coupon No. 4 at the offices of any of the following depositaries:

MORGAN GUARANTY TRUST COMPANY
Brussels: Avenue des Arts 35
London: 33, Lombard Street
Paris 14 Place Vendôme
Frankfurt: Bockenheimer Landstrasse 8
Banca Morgan Vonwiller S.p.A.: Via Armorari 14, Milan; Bank Mees and Hope N.V.: Herengracht 548, Amsterdam; Banque Générale du Luxembourg: 27, avenue Monterey, Luxembourg.

MIDLAND BANK LIMITED MONTAGU TRUST LIMITED

Following the acquisition by Midland Bank of full ownership of the Montagu Trust Group and the acquisition of the Drayton Group, Midland Bank is engaged upon continuing rationalisation of its group into functional divisions. This involves transferring some of the interests of Montagu Trust and members of its group into other sections of the Midland Bank group. In these circumstances Midland Bank has considered it appropriate to execute a guarantee in favour of the holders of the U.S.$15,000,000 9¼% Bonds due October 15, 1985 of Montagu Trust. The bondholders retain their existing rights under the bonds; in addition the guarantee is enforceable by Midland Bank Trust Company as trustee for the bondholders.

Midland Bank Limited
Poultry, London EC2P 2BX.

Again mixed after early 7.6 rally

BY OUR WALL STREET CORRESPONDENT

NEW YORK, August 7.

A MIXED TREND again prevailed on Wall Street to-day, when inflation concerns whittled away some of the early gains which followed small bargain hunting.

After rallying 7.67 to 821.34, the Dow Jones Industrial Average partially reacted to 815.79, for a net rise of 2.12. The NYSE All Common Index finished 2 cents up at $46.10, after regaining 29 cents at $46.37, *but losses outpaced gains by 674 to 613.* Trading volume dropped by 3.94m. shares to 12.34m.

Investors continued disturbed by rising interest rates and signs of reviving inflation.

As the market opened the Labour Department reported a 1.2 per cent. rise in the U.S. Wholesale Price Index in July—a 14.4 per cent. annual rate—because of rising farm and food costs. It marked the largest increase since last April in one of the *nation's key inflation barometers.*

The Federal Reserve Board, already trying to check inflation *forces, has tightened* credit the past several weeks and this has pushed short-term interest rates higher. The higher yields, in turn, *have attracted* many investors away from the Stock Market.

U.S. Steel climbed $1 to $62, while other Steels generally *scored small gains.* Late yesterday, **Wheeling-Pittsburg** became the nation's second major steel producer in two days to boost *prices of flat-rolled* and stele sheet by an average of 9 per cent. These metals are used in the manufacture of cars and *household products.*

International Paper picked up $2½ to $56½.

Royal Dutch Petroleum rose $¾ to $35½, *despite lower earnings.*

Revco D.S. gained $1½ to $27 on improved earnings.

Denny's held unchanged at $15½, *despite higher earnings.*

Dow Chemical put on $2½ to $89½ and **Du Pont** $1½ to $124½.

Oils and Motors were mixed.

Airco shed $¼ *to $19½, although* it raised its dividend.

The American SE Market Value Index moved down 0.79 to 86.34, with declines outnumbering advances by 338 to 214.

Lafayette Radio, the most active issue, firmed $¼ to $6½ on a volume of 169,600 shares.

Peoples Department Stores dropped $1⅞ to $6⅝ in light dealings, and **Aquitaine Company** of Canada lost $1 to $20⅞.

PARIS—Firmer, although still very quiet.

Most sectors improved, particu*larly stocks involved in the re*shuffle of the French Nuclear Industry such as. **Alsthom, Legrand, Radiotechnique** and **Creusot Loire.**

Locabail, BSN, Poclain and **Dumez** each also advanced pro*minently.*

Americans, Foreign Oils and Golds were strong, German and Dutch issues were mixed, while *Copper were slightly lower.*

AMSTERDAM — Market advanced over a broad front, with sentiment aided by Wall Street's upturn and the dollar's rise.

Royal Dutch moved up Fls.2.8 to 93.6 after better than expected first half-year figures.

Philips rose Fls.0.2 to 26.10, *Unilever Fls.0.4 to 105.20 and* **Akzo** Fls.0.20 to 38.20.

Among Banking shares, **Algemene Bank Nederland** improved *Fls.2.50 to 348.50.*

BRUSSELS—Mixed to slightly firmer in very slack trading.

Gevaert, Cometra, Cockerill and **FN** each closed higher, but major local issues to ease included **Tessenderloo, Solvay Vieille Mon*tagne and Union Miniere.***

Gold Mines and German, Dutch and U.K. stocks tended lower. U.S. and French issues were *mixed in* rather nervous dealing.

Petrofina firmed slightly but the U.S. and Canadian issues drifted lower on lack of interest.

GERMANY—Prices rose at the opening but then made no further gains owing to lack of follow through orders.

Leading Chemicals and Steels only showed small movements. But machinery shares put *on up* to DM3 led by **Linde** at *DM218.5,* aided by the dollar's strength, although **Man** fell DM1.80 to DM180.2.

Demag rose DM2 to DM172, despite predictions of lower 1975 earnings, while **Krupp** gained DM1.1 to DM151.1 although it announced lower production.

Daimler and VW each up DM1.8, led Motors higher.

MILAN—Mixed to higher in relatively quiet trading.

Generale Immobiliare, Montedison, Assicurazioni Generali, **Pirelli** and **Fiat** each showed modest gains, but **Anic, Olivetti Ordinary** and **Stet** *each lost* ground.

Bonds were slightly irregular.

SWITZERLAND—Markets were very steady in a moderate turnover.

Banks, Financials and Insurances all moved higher.

Banks were firm, with **Union Bank** up Frs.20 at 3,040 and **Swiss Bank Corp.** up Frs.1 at 438.

In Engineerings, **Buehrle** rose Frs.10 to 1,190.

Insurances were higher, with **Swiss Reinsurance Bearer** up *Frs.50* at 4,250 and **Winterthur Bearer** up Frs.10 at 1,740.

In the Foreign sector, Dollar stocks were generally well disposed, with *Dupont and Coca Cola* notably firmer. Dutch Internationals were narrowly mixed, while Germans were well maintained.

OSLO—Bankings, were quiet, while Insurances, Industrials and Shippings were slightly mixed.

VIENNA—Firm undertone.

COPENHAGEN — Narrowly mixed in moderate dealings.

HONG KONG—Marginal gains in light trading.

Hong Kong Bank were up 20 cents to $HK14.70, **Hong Kong Land**, 15 cents to 6.50, **Hutchison** 10 cents to 1.91, **Jardines** 50 cents to 21.90, **Hong Kong Electric**, 5 cents to 3.625, and **China Light**, 10 cents to 14.80.

TOKYO—Again lower in the absence of encouraging factors. Volume 100m. (90m.) shares.

Popular issues and leaders led the decline with Foods. Pharmaceuticals, Constructions, Housings, Electricals, Machineries and Motor Components also dropping on liquidation.

Some speculative shares managed to post gains.

AUSTRALIA — **Pancontinental**, the Jabiluka Uranium stock, went to a record high of $A6, up 30 cents, cheering markets generally in its wake.

Central Pacific gained 3 cents to 43 cents and **Ocean Resources** 2 cents to 25 cents.

Base Metal leaders and Beach Sand Mines showed some improvement, but Golds shifted lower in tune with the London bullion price.

Woodside Oil put on 3 cents to 8 cents and **International** rose 3 cents to 45 cents. Woodside is to drill on International's Timor Island lease areas soon.

BHP, up 4 cents to $A7.06, and its partner, **Esso Australia**, reported unspecified hydro carbon shows from a well currently be*ing drilled off-shore Victoria.*

JOHANNESBURG—Gold shares were easier in quiet trading. Losses were in the region of 10 to 25 cents.

Financial Minings were quiet and inclined lower in line with Producers. Diamonds also were lower. **Anamint** were down 50 cents to R36. Platinums were higher.

Industrials were a shade firmer, with a fair amount of Institutional demand. Asbestos share **Gefoo** shed 5 cents to R5.25.

OTHER MARKETS

Canada firm

Canadian Stock Markets turned generally firm in light trading yesterday.

The Industrial Share Index rose 0.26 to 157.17. Golds 1.55 to 376.74, Base Metals 0.69 to 78.12, Western Oils 0.35 to 181.86 and Utilities 0.02 to 128.22. But Banks shed 0.38 to 267.12 and Papers lost 1.09 to 112.14.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport	Indus.	Util.	Trading volume† 000's
Aug. 7	68.28	156.65	815.79	78.64	12,340
6	68.24	156.71	813.67	78.43	16,280
5	68.51	156.79	810.15	78.67	15,470
4	68.57	157.98	818.06	79.05	12,620
1	68.64	160.40	826.50	79.63	13,530
July 31	68.61	161.83	831.51	79.50	14,540
30	68.82	161.36	831.66	79.34	16,150
29	68.86	159.29	824.86	79.60	19,000
28	68.83	160.25	827.86	80.11	14,380
25	68.81	161.22	834.09	80.01	15,110
24	68.53	161.55	840.27	81.14	20,580
23	68.97	162.69	836.67	82.37	20,150
22	68.98	167.12	846.76	83.14	20,660
21	68.81	170.15	845.74	83.50	16,690
18	68.83	170.80	862.41	85.65	16,870
17	68.68	172.18	864.28	85.81	21,420
16	68.93	172.61	872.11	84.74	26,250
1975 High	69.66 (4/4)	174.12 (5/5)	881.81 (15/7)	87.07 (24/6)	—
Low	66.16 (3/1)	146.47 (2/1)	632.04 (2/1)	72.02 (2/1)	—
All-time High	—	279.88 (7/2/69)	1051.70 (11/1/73)	163.32 (20/4/65)	—
Low	—	13.23 (8/7/32)	41.22 (8/7/32)	10.58 (28/4/42)	—

† Excluding bonds.

IND. DIVIDEND YIELD p.c.

Aug. 1	July 25	Aug. 2, 1974
4.69	4.64	4.91

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

1975 High	1975 Low	Aug. 7	Aug. 6	Aug. 5	Aug. 4	Aug. 1
51.24 (15/7)	37.06 (2/1)	46.10	46.08	46.09	46.82	47.10

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,767	613	674	480

	Aug. 7	Aug. 6	Aug. 5	Aug. 4	Aug. 1
New Highs	4	4	10	6	7
" Lows	12	10	10	15	8

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

	1975 High	1975 Low	Aug. 7	Aug. 6	Aug. 5	Aug. 4	Aug. 1
	96.80 (15/7)	62.20 (2/1)	86.54	87.15	87.35	86.86	89.25
Volume (000's)			1,710	1,890	1,720	1,580	1,510

U.S. STOCK INDICES STANDARD AND POORS

	*Industrials	†Composite
Aug. 7	96.87	86.30
" 6	96.79	86.25
" 5	96.74	86.23
" 4	97.75	87.15
" 1	98.68	87.99
July 31	99.58	88.75
" 30	99.66	88.83
1975 High	107.40 (15/7)	95.61 (15/7)
1975 Low	77.71 (8/1)	70.74 (8/1)

* 425 Industrials. † 425 Industrials, 50 Utilities, 25 Rails.

STOCK AND BOND YIELDS

	Aug. 6 1975	July 30 1975	July 31 1974
Ind. Ord. Yield pc	3.94	3.84	4.25
Ind. Ord. p/e ratio	10.53	10.85	10.28
Long-term Govt. Bds. per cent.	8.68	8.71	8.82

THURSDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Polaroid	146,600	38	−1½
Chase Manhattan	146,200	33½	+¼
Gen. Tel. Elec.	139,400	22⅞	−⅛
Continental Tel.	113,700	11¼	−⅛
Amer. Home Prod.	101,900	33⅛	+¼
Gt. Life Hold.	99,100	7⅛	+⅛
Inter. Paper	94,200	56½	+2½
Boise Cascade	89,500	29⅞	−⅛
Amer. Tel. and Tel.	89,300	49⅞	−⅛
So. Car. E.G.	87,600	14⅛	+⅛

TORONTO

INDUSTRIAL INDEX

Aug. 7	Aug. 6	1975 High	1975 Low
157.17	156.91	166.36 (15/7)	130.41 (2/1)

MONTREAL

INDUSTRIAL INDEX

Aug. 7	Aug. 6	1975 High	1975 Low
194.84	194.34	205.61 (15/7)	159.36 (2/1)

COMBINED INDEX

Aug. 7	Aug. 6	1975 High	1975 Low
198.04	198.05	199.99 (15/7)	153.02 (2/1)

JOHANNESBURG

	Aug. 7	Aug. 6	1975 High	1975 Low
Industrials	224.2	223.0	236.8 (16/7)	183.3 (23/1)
Golds	299.4	300.2	379.1 (2/1)	253.2 (13/4)

(1958=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	Aug. 7	July 31	July 24
On Dividends	7.51	7.53	7.42
On Earnings	14.05	14.15	14.23

SYDNEY ALL ORD. INDEX

Aug. 7	Aug. 6	High 1975	Low 1975
361.30	359.58	385.55 (4/6)	283.88 (9/1)

TOKYO NEW SE INDEX

Base=100 January 4, 1968.

Aug. 7	Aug. 6	High 1975	Low 1975
310.86	312.29	333.11 (2/7)	268.24 (10/1)

HONG KONG INDEX ◆

Aug. 7	Aug. 6	High 1975	Low 1975
305.47	300.15	341.57 (9/6)	160.42 (9/1)

SINGAPORE INDEX §

Aug. 7	Aug. 6	High 1975	Low 1975
224.18	225.08	268.68 (11/3)	153.26 (6/1)

EUROPE

	Aug. 7	Previous	1975 High	1975 Low
Belg'm (a)	108.54	108.46	111.81 (15/5)	89.07 (2/1)
Denm'k (b)	91.33	91.30	92.20 (13/6)	73.06 (13/1)
France (d)	66.4	66.2	72.6 (23/4)	51.70 (2/1)
Germ'y (e)	707.5	706.7	725.1 (15/4)	576.6 (2/1)
Holland (f)	99.1	99.2	107.8 (6/5)	85.8 (2/1)
Italy (g)	82.27	81.83	106.86 (21/2)	81.33 (4/8)
Spain (h)	95.87	95.93	110.96 (22/4)	95.60 (4/7)
Sweden (k)	383.25	383.61	391.44 (1/8)	310.56 (8/1)
Switz'rl'd (m)	262.5	261.5	296.1 (6/5)	206.5 (2/1)

Indices and base dates (all base values 100):—(a) Belgian S.E. 31/12/63. (b) Copenhagen S.E. 1/1/73. (d) Paris Bourse 1961. (e) Commerzbank December 1953. (f) Amsterdam Industrial 1970. (g) Banca Commerciale Italiana average all quoted shares 1972=100. (h) Madrid S.E. 31/12/74. (k) Stockholm Industrial 1/1/58. (m) Swiss Bank Corp. 31/12/58. (u) Unavailable. ◆ Hang Seng Bank 31/7/64. § Straits Times 1966. (c) Closed. † Adjusted.

$ stronger

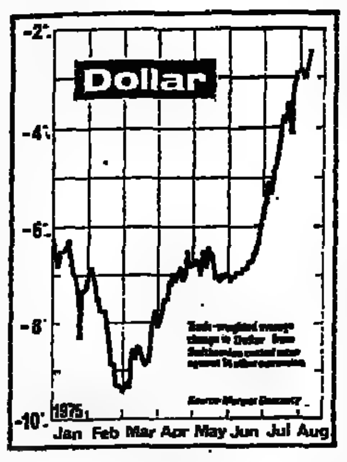
The U.S. dollar maintained its level of advance against major currencies in the foreign exchange market yesterday and was assisted by a higher trend in Eurodollar interest rates and growing evidence in the recovery of the U.S. economy.

The dollar's trade-weighted average depreciation against 14 units since the Washington Agreement, as calculated by Morgan Guaranty of New York on noon rates, improved to 2.44 per cent, its best level since January 30, 1974. The previous close was 2.81 per cent. *Sterling's depreciation on a similar* basis widened to 33.71 per cent. against 32.83 per cent.

The pound opened at $2.1140-*2.1150 in terms of the dollar and* rose to *$2.1210-2.1220* after official intervention. During the afternoon however an all time low was reached *of $2.0980-2.1000 thus re*flecting the strength of the dollar. The pound recovered a little ground at the close at $2.1050-2.1060 against the previous close of $2.1270-2.1280.

Sterling's trade-weighted average depreciation against ten major currencies since the Washington Currency Agreement (as calculated by the Bank of England), widened to 27.8 per cent. against *the previous 27.2 per cent.* The depreciation at noon stood at 27.8 per cent. which was unchanged from the morning.

Gold gained 50c on the previous close in a day of moderate activity to finish at $165-165½. The krugerrand for domestic delivery closed at *$172¼-173¾ (£81¾-82½)* compared with the previous $172¾-174½ (£81¼-82).



GOLD MARKET

	Aug. 7 1975	Aug. 6 1975
Gold Bullion (a fine ounce)		
Close	$165-165½	$164½-165¼
Opening	$164¾-165¾	$165¼-166
Morning fix'g	$165.25 (£77.911)	$166.36 (£77.375)
Afternoon fix'g	$165.30 (£78.193)	$164.85 (£77.177)
Gold coins (domestically)		
Krugerrand	$172¼-173¾ (£81¾-82½)	$172¾-174½ (£81¼-82)
New sov'r'gns	$52¾-54¼ (£25-25¾)	$52¾-54¼ (£24¾-25½)
Old sov'r'gns	$51½-53 (£24½-25¼)	$52¾-54¼ (£24¾-25½)
Gold coins (Int'rn'tn'ally)		
Krugerrand	$170-172 (£80¾-81¾)	$169-171 (£79½-80½)
New sov'r'gns	$50½-51¼ (£24-24½)	$50½-51¼ (£23¾-24¼)
Old Sov'r'gns	$50½-51¼ (£24-24½)	$50½-51¼ (£23¾-24¼)
$ 20 Eagles	$251-254	$250-253
$ 10 Eagles	$118-121	$117-120
$ 5 Eagles	$85-88	$84-87

FOREIGN EXCHANGES

Aug. 7 1975	Bank Rates %	Market Rates Day's Spread	Close
New York	6	2.0980-2.1220	2.1050-2.1060
Montreal	8¼	2.1715-2.1940	2.1790-2.1800
Amsterdam	6	5.56-5.63	5.57¾-5.58¼
Brussels	†6½	80.30-81.10	80.60-80.80
Copenh'gen	8	12.52-12.65	12.55¼-12.56¼
Frankfurt	4½	5.42-5.48	5.44-5.45
Lisbon	6½	55.50-56.10	55.85-56.25
Madrid	†7	122.50-123.75	122.75-123.00
Milan	7	1,400-1,418	1,410-1,412
Oslo	6½	11.45-11.56	11.49-11.50
Paris	9½	9.20-9.29	9.22¼-9.23¼
Stockholm	7	9.06-9.14	9.08-9.10
Tokyo	8	625-635	627-628
Vienna	6	38.00-38.70	38.30-38.50
Zurich	4½	5.65-5.70	5.66½-5.67½

† Basic discount. ‡ Rates given are for convertible francs; closing financial franc 82.70-83.00.

OTHER MARKETS

		§ Notes Rates	
Argentina	◆59.14-59.54	Argentina	170-200
Australia	1.6237-1.6398	Austria	37½-39¼
Brazil	17.52-17.62	Belgium	83½-85½
Finland	7.95-7.98	Brazil	21-24
Greece	69.165-70.875	Canada	2.19-2.22
H'ng Kong	10.65-10.67	Denmark	12.50-12.70
Iran	142.5-144.5	France	9.20-9.40
Kuwait	0.619-0.629	Germany	5.40-5.60
Luxemb'g	80.60-80.80	Greece	67¼-69¼
Malaysia	5.2805-5.2985	Italy	1480-1560
N. Zealand	1.6652-1.6813	Japan	630-650
Saudi Arabia	7.40-7.55	Nethr'l'ds	5.55-5.75
Singapore	5.2140-5.2185	Norway	11.50-11.70
S. Africa	1.6084-1.6217	Portugal	55-57
U.S.—		Spain	121¼-124¼
Canada		Sw'tz'land	5.55-5.85
C$1=		U.S.	2.10-2.13
U.S. cents	95.58-95.61	Yugosl'ia	36¼-38¼

§ Based on rates quoted by specialist dealers. Other rates may be quoted elsewhere. ◆ Rate given is the commercial rate: financial rate 74.57-74.87.

FORWARD RATES

—	One month	Three months
New York	0.87-0.77 c.pm	2.57-2.37 c.pm
Montreal	0.75-0.65 c.pm	1.95-1.85 c.pm
Amst'dam	3¼-2¼ c.pm	11-10 c.pm
Brussels	30-10 c.pm	85-65 c.pm
Cop'n'hg'n	6-3 ore pm	15-10 ore pm
Frankfurt	4-3 pf. pm	11½-10½ pf pm
Lisbon	4.5c.pm-30 c. dis	30c.pm-60c.dis
Milan	2-5 lire dis	8-11 lire dis
Oslo	5-3 ore pm	13½-11½ ore pm
Paris	3-1 c.pm	6-4 c.pm
Stockh'lm	1½-½ ore dis	5-3 ore pm
Vienna	35-10 gro pm	85-55 gro pm
Zurich	4¼-3¼ c.pm	10¾-8¾ c. pm

Six-month forward U.S. dollar 440-430c. pm. and 12-month 825-815c pm.

EXCHANGE CROSS-RATES

Aug. 7	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankf't	—	2.5835-50	58.90-59.0	6.73-76	5.450-465	97.43-48	95.96-96.05
N. York	38.81-85	—	22.85-86	2.607-613	2.1040-1050	37.74-76	37.13-22
Paris	169.48-58	4.3737-3857	—	11.4475-47½	9.2525-27½	165.175-575	162.90-63.3
Brussels	14.70-79	38.16-21	8.69-74	—	80.63-.96	14.37-46	14.16-25
London	5.44-45	2.105-106	9.22½-23½	80.60-.80	—	5.57¾-58¼	5.66½-67½
Am'rdam	102.645-695	2.6482-6507	60.495-545	6.9255-9505	5.6035-85	—	98.43-48
Zurich	104.18-33	2.6915-35	61.41-49	7.0275-400	5.6825-90	101.58-73	—

U.S. $ in Montreal U.S.$=105.42-44 Canadian cents.

Canadian $ in New York. $C1=95.58-60 U.S. cents. U.S. $ in Milan 669.25.

Sterling in Milan 1416.20.

EURO-CURRENCY INTEREST RATES*

Aug. 7 1975	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W.German mark	Swiss franc
†Short term	10-11	6-6½	5½-6½	1⅞-2⅛	1½-1⅞	1¼-2
7 days notice	10½-11½	6⅛-6⅝	6-7	2⅜-2⅝	1½-2	1¾-2¼
Month	11-11⅜	6½-7	7⅛-7⅞	5-5¼	3¼-3⅝	3⅝-4
Three months	11⅝-12	7⅛-7⅝	8⅛-8⅝	5⅝-5⅞	5⅛-5¼	4¼-4½
Six months	12⅝-12¾	8-8¼	8¾-9⅛	6⅛-6⅝	4⅝-4⅞	5⅛-5⅜
One year	12¾-13¼	8⅛-8⅝	8⅝-9⅛	6⅜-6⅝	5⅛-5⅜	5⅞-6⅛

Euro-French deposit rate short-term 6¾-7¾ per cent.; seven days' notice 6¾-7¾ per cent.; one-month 7½-8½ per cent.; three months 9¼-9¾ per cent.; six months 10-10½ per cent.; one year 10¼-10¾ per cent.

Longer-term Eurodollar deposits: two years 7¾-8¼ per cent.; three years 8¼-8¾ per cent.; four years 8½-8¾ per cent.; five years 8½-10 per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 6¼-6⁵⁄₁₆ per cent.; three months 7¼-7⁵⁄₁₆ per cent.; six months 8⅛-8³⁄₁₆ per cent.; one year 8⅜-8⅝ per cent.

* Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars and two days' notice for guilders and Swiss francs.

OVERSEAS SHARE INFORMATION

Investment premium based on $2.60 per £1—91¾% (90¾%)

NEW YORK

Stock	Aug. 7	Aug. 6
Addressograph	6⅛	6⅛
Aetna Life & Cas.	22⅞	23⅛
Air Products	70	68⅞
Alcan	19⅛	19⅛
[illegible]		
Corning Glass	44⅝	44½
CPC Int'national	42	43¾
Crane	47¼	46⅝
Crocker Nat. C.P.	22⅛	22⅛
Crown Zellerbach	36⅞	36⅞
Cummins Engine	19¼	19⅝
Curtiss-Wright	11⅝	11⅝
[illegible]		
Johns Manville	22⅝	22⅞
Johnson Johnson	88½	87⅞
Johnson Control	12⅝	12⅝
Joy Manufactur'g	75⅞	76⅛
Kaiser Aluminium	30¼	30⅛
Kaiser Industries	6¾	6¾
Kaiser Steel	36¼	36¾
[illegible]		
Rapid American	5	5⅛
Raytheon	48¼	47¼
RCA	17¾	18⅛
Reading	2	2
Republic Steel	31⅛	31¼
Revlon	71½	71¾
Reynolds Metals	22¼	21½
Reynolds R. J.	54	55⅞
Rich. D. Merrell	19¾	19¼
Rockwell Inter.	24⅝	24⅛
Rohm & Haas	75¼	72¼
Royal Dutch	35¼	34⅝
Russ Togs	10⅛	10⅛
Safeway Stores	46⅝	47
St. Joe Minerals	31	30⅞
St. Regis Paper	27	27⅛
Santa Fe Ind.	24¾	25⅛
Saul Invest	4	4
Saxon Ind.	3⅝	3⅞
Schlitz Brewing	25¾	25⅛
Schlumberger	78	77⅛
SCM	11	10⅞
Scott Paper	14⅛	14
Scovill Mfg.	9⅛	10⅛
Scudd'r Duo Vest	5⅛	5⅛
Sea Container	17⅝	17⅛
Seagrams	30	30⅝
Searle (G.D.)	15⅛	15
Sears Roebuck	61⅛	61⅜
Sedco	31⅛	30⅛
Shell Oil	53	52
Shell Transport	24⅝	24¼
Signal	18⅛	18⅛
Signode Corp.	35	35¾
Simplicity Pat	13¼	13⅛
Singer	13	12⅝
Solitron	3⅞	4
Southdown	8⅝	8⅛
Southern Cal. Ed.	18⅛	18⅝
Southern Co.	12⅛	12⅛
Sthn. Nat. Res.	30⅛	31¼
Southern Pacific	27⅜	27⅛
Southern Railway	47¼	47⅛
Southland	25⅛	24¼
Sperry Hutch.	12⅛	12⅛
Sperry Rand	40¾	40¾
Standard Brands	57	58
Std. Oil California	30⅝	30⅛
Std. Oil Indiana	44⅝	44⅛
Std. Oil Ohio	80¾	81
Stauff Chemical	76⅛	75¼
Sterling Drug	17⅛	17⅝
Studebaker	37	36⅝
Sun Oil	35¾	35⅝
Sundstrand	21	21
Syntex	32½	32
Tandy	39⅛	39⅛
Technicolor	7	6⅞
Tektronix	34⅛	34
Teledyne	20	20⅝
Telex	2⅝	2½
Tenneco	25⅛	25⅝
Tesoro Petroleum	16¼	16¼
Texaco	25	25
Texasgulf	32¼	32¼
Texas Instm.	97	98
Texas Utilities	18⅝	18⅞
Time Inc.	53½	55
Times Mirror	16⅛	16¼
Timken	36	35⅛
Trane	23⅞	23⅝
Transamerica	8⅝	8⅝
Trans Union	31⅞	31
Transway Int'nl	15⅝	16
Trans World Air	7⅝	7⅛
Travelers	23⅛	23¼
Tri Continental	18	18
T.R.W.	22⅞	22⅞
20th Century Fox	12⅛	12¼
U.A.L.	22⅝	22⅛
UARCO	21	21⅛
U.G.I.	12	12
U.O.P.	13⅞	13⅛
Unilever Ltd.	26¼	27
Unilever NV	39⅞	39⅛
Union Bancorp	9⅜	9⅝
Union Carbide	56⅝	56¼
Union Commerce	11	11⅛
Union Oil Cal.	46⅝	46¼
Union Pacific	65⅝	65½
[illegible]	2¾	2⅝
Uniroyal	7⅞	7¾
United Brands	5⅞	6
United Corp.	7⅝	7⅝
U.S. Bancorp	22	22¼
U.S. Gypsum	16⅝	16⅞
U.S. Industries	4⅝	4⅛
U.S. Shoe	11	10⅞
U.S. Steel	62	61
U. Technologies	52⅝	52⅝
USM	19	19⅝
Utah Int'l	63⅝	65¼
UV Industrial	20	20
Virginia Elec.	12	12¼
Wal Green	12	12⅛
Warner-Comm.	16⅝	17
Warner-Lambert	31¼	31⅞
Wells-Fargo	16	16
Western Bancorp	21⅛	21⅛
Western Union	14	14⅛
Westing'h Elec.	16	16⅛
Westvaco	25⅝	25⅝
Weyerhaeuser	37⅛	36⅞
Whirlpool	24¼	24⅝
White Cons. Inds.	20	20⅛
Wisconsin Elec.	26⅛	26¼
Woolworth	15	15
Wyly	3⅝	3⅝
Xerox	59¾	59⅝
Zapata	29⅛	29¾
Zenith Radio	25⅛	25⅝
Chile 3% 1993	85	85
Peru 5% 1985	†95	†95
U.S. Treas 5% 1975	†99.50	†99.50
U.S. Treas 4¾% 1980	†86.08	†86.08
U.S. Treas 4¼% 85	†82.00	†82.00
U.S. 91 days bills	6.37%	6.37%

CANADA

Stock	Aug. 7	Aug. 6
Abbey Gen. Prop.	3.90	†4.05
Abitibi Paper	10¾	10¾
Agnico Eagle	6¾	6⅝
Alcan Aluminium	24⅛	23⅞
Algoma Steel	27⅝	†27⅞
Asbestos	†20	†20
Bank Montreal	16⅛	16⅛
Bank Nova Scotia	45¼	45¼
Basic Resources	6⅛	6⅛
Bell Telephone	44	44
Bovis	†1.37	1.37
Bow Valley Inds.	14⅞	14¾
BP Canada	12¾	13
Brascan	12⅛	12⅛
Brinco	†4.90	5.00
Calgary Power	25⅞	25¾
Canada Cement	11¼	11⅛
Canada N/W Land	4.15	4.10
Can Imp Bk Com	25¾	25⅛
Canada Indus.	21¾	22¼
Can. Indus. Gas O.	7	7
Can. Pacific	14⅛	14⅜
Can. Pacific Inv.	16⅛	16⅜
Can. Super Oil	57	57
Carling O'Keefe	2.61	2.62
Cassiar Asbestos	6⅞	6⅛
Chieftan Dev.	9	9¼
Cominco	32⅛	32
Cons. Bathurst	26⅛	26⅝
Con. Textile M.	†1.8	†1.82
Consumer Gas	13⅛	13
Costain Rich	9	7⅞
Decca Resources	4.10	3.90
Denison Mines	58⅝	58¼
Dome Mines	47⅛	47¼
Dome Petroleum	28⅛	28¼
Dominion Bridge	25⅛	25¼
Domtar	23⅝	23¾
Dupont	19⅛	19⅜
Fairview Corp.	†11¼	†11⅛
Falconbridge Nickel	35⅛	34¼
Fin Collection	1.65	1.70
Ford Motor Can.	80	79½
Giant Y'ellknife	9⅝	9⅝
Gulf Oil Canada	30	30
Hambro Can.	2.20	2.20
Hawker Sid. Can.	7⅛	7
Hollinger	30¼	30⅛
Home Oil 'A'	27	26¾
Hudson Bay Mng	20	20
Hudson Bay	17⅛	17⅜
Hudson Oil & Gas	30	30
I.A.C.	18⅛	18⅛
Imasco	31⅛	31⅛
Imperial Oil	26⅞	26⅞
Indal	12¼	12
Inland Nat. Gas	9¼	9¼
Internat'l Nickel	26⅜	26¾
Int'pr'v Pipe Line	13	12¾
Laurn't Fin. Corp	15⅛	16¼
Loblaw Com. 'B'	5⅛	5⅛
McMillan Bloedel	21⅞	22
Massey-Ferguson	15⅝	15⅛
McIntyre Porcup.	46⅛	47
Moore Corpn	47⅝	48
Noranda Mines	35⅞	36
Northern & Gen Gas	10	10
[illegible]	0.23	0.21½
Numac Oil & Gas	10⅝	10¾
Oakwood Petr'lm	0.81	0.82
Pacific Copper M.	0.60	0.65
Pacific Petroleum	22	21⅝
Page Petroleum	1.66	1.65
Pan Can. Pet'm	15¾	15⅜
Patino	12¾	†12¾
Peoples Dept. S.	6⅝	8⅛
Place Gas & Oil	0.57	0.55
Placer Development	19¼	19
Power Corporat'n	9	9⅛
Price	16	16
Quebec Sturgeon	3.15	3.25
Ranger Oil	17½	17¾
Reed Shaw	6⅛	6⅛
Rio Algom	32	32
Royal Agassiz M.	0.66	0.66
Royal Bk. of Can.	33⅝	33⅜
Royal Trust	23¼	†23
Seagrams	31⅛	31⅛
Shell Canada	16⅛	16⅛
Sherritt G. Mines	7⅜	7⅜
Siebens O. G.	12⅛	†11¾
Silver Stack M.	0.52	0.52
Simpson	6¾	6⅝
Slater Walker C.	8⅛	8¼
Steel of Canada	30⅛	29¾
Steep Rock Iron	1.31	1.28
Sunningdale Oils	6⅛	6
Texaco Canada	†29	29⅛
Toronto Dom. Bk	43	43⅛
TransCan Pipe Ln	10¼	10¼
Trans Mount Oil	10⅞	10⅝
Trizec	†16¼	†16¼
Union Gas	7⅝	7⅝
United Corpn 'B'	†13¾	†13¾
Walker Hiram	32⅛	32¼
West Coast Trans.	31	21
Western Geo.	18⅝	18¾

n Asked. * Assented. † Bid. § Traded. n New stock.

GERMANY ◆

Aug. 7	Price Dm.	+ or −	Div. %	Yld. %
A.E.G.	82.5	+0.3	—	—
Allianz Versich.	492	+2	‡17	1.7
B.M.W.	225.5	−0.8	14	3.1
BASF	142.8	+0.7	17	5.9
Bayer	116.5	+0.1	17	6.9
Bayer Hypo	316	−1.5	18	2.8
Bayer Vereinsbk.	380.5	+1	18	2.4
Commerzbank	212.5	+1	17	4.0
Conti. Gummi	79.5	+1	—	—
Daimler	314.5	+1.8	15	2.4
Degussa	251	+4.9	18	3.9
Demag	172	+2	—	—
Deutsche Bank	318	+1	20	3.1
Dresdner	245.5	......	18	3.7
Dyckerhoff Zem't.	191.5	+4.5	10	2.6
Gelsenberg	71.1	−1.8	8	5.6
Gutehoffnung	192	+0.5	14	3.6
Hapag Lloyd	124	−0.8	‡12	4.8
Harpener (DM100)	162	−1.5	8	4.9
Hoechst	138	......	18	6.5
Hoesch	52.8	+0.5	10	9.5
I. G. Farbenliquid.	3.85	......	—	—
Kali Salz (DM50)	120	......	8	2.0
Karstadt	431	−2.5	20	2.3
Kaufhof	271	−2	20	3.7
Kloeckner (DM100)	97	+0.2	6	6.2
Kloeck Humbolt	167	+2	6	1.8
Kr'ss Maffei (DM100)	560	......	15.5	2.9
Krupp Pf DM100	151.1	+1.1	10	6.6
Kundenkredit Bk	310	......	18	2.9
Linde	218.5	+3	16	3.7
Lowenbrau DM100	1,830	......	20	1.0
Lufthansa	61	−0.4	4	6.5
M.A.N.	180.2	−1.8	12	3.5
Mannesmann DM100	275	......	14	5.1
Metallgesellschaft	230	......	12	2.6
Munch. Rueckvers.	575	−10	18	1.6
Neckermann	105.8	+0.9	6	2.8
Preussag DM100	129.5	+2.5	7	5.4
Rheinstahl DM50	61.1	+0.8	v6	4.1
Rhein Westfalel.	120	......	16	6.6
Schering	402	−1	20	2.5
Siemens	274.1	+2.6	16	2.8
Sudzucker	247	......	16	5.5
Thyssen	85.5	+1.3	14	8.2
Verein & West Bk	330	......	18	2.7
Zeiss Ikon	160	−1	10	6.2

PARIS

Aug. 7	Price Frs.	+ or −	Div. Frs.	Yld. %
Air Liquide	361	−0.8	16.5	4.6
Aquitaine	476.5	−4	22.5	4.8
Beghin	122.2	−0.5	11.85	9.0
B.S.N. Gervais	499	+16	37.5	7.5
Carrefour	1,920	+22	57	3.0
Chargeurs Reunis	179.1	......	15	8.3
Citroen	43	−0.5	—	—
Fr. Petroles	140	+1.9	15.6	11.3
Cie Bancaire	477.5	+4.5	24	2.4
C.G.E.	300	−2	1.8	7.9
Cie du Nord	25.6	−0.1	10.5	6.9
Credit Com. Fr'nce	141.1	+0.9	27	7.5
Credit Foncier	356	+1	24.0	7.5
Denain N.E.	145.2	+1.1	18.75	13.0
S.A. Dunlop	22.4	−0.1	—	—
Esso Standard	89.5 xd	−0.5	6	7.5
Fin. Iens	57.5	......	15.6	8.0
Gal. Lafayette	90	−1.5	7.5	4.9
Gen. Occidentale	150.9	+3.1	6	4.1
Imetal	79.1	−0.8	4.5	5.6
Lafarge	181.5	−1.4	15	8.2
L'Oreal	856	−9	15.5	1.7
Machine Bull	33.4	......	—	—
Michelin "B"	1,142	+15	27.25	2.5
Moet Hennessy	569	+11	10.8	1.9
Paribas	174	−0.6	16.5	9.5
Pechiney	112.7	+0.7	14.1	11.2
Peugeot (Frs.70)	245	+1	15.6	5.6
Pricel	141	+1	12	8.6
Printemps	81.5	+0.9	5	5.7
Redoute	535	+2	11.5	3.4
Rhone Poulenc	116.1	......	16.75	15.6
Sacilor S.A.	75 xd	−1.8	12	15.6
Saint Gobain	121.2	......	13.2	10.9
Soc. Nat'l' Inv.	276.5	+1.6	22.6	8.2
Source Perrier	114.5	−0.7	6	5.2
Suez	234	−1.8	22.5	9.5
C.S.F.	215.5	+0.3	9.45	4.4
Thomson Brandt	210	−1	12.75	6.0
Usinor	77.5	......	11.55	14.9

MILAN

Aug. 7	Price Lire	+ or −	Div. Lire	Yld. %
Alitalia Priv.	1,040	−10	—	—
ANIC	705	−4	60	8.5
Ausonia Ass.	4,250	+60	130	3.1
Bastogi	1,310	+9	70	5.3
Breda	2,099	−1	150	7.2
Burgo	11,300	+50	200	1.8
Cantoni	7,750	+150	200	2.6
CIGA	1,225	+35	—	—
Cucirini	4,460	+51	300	6.7
Dalmine	348	+0.5	50	1.4
Erba	1,960	+40	125	6.4
Fiat	1,007	+4	100	9.9
Do. Priv.	736	−1	100	13.6
Finsider	288	......	40	13.9
Generali	64,700	+640	500	7.7
IFI Priv	2,136	+36	150	6.1
Invest B	2,060	......	140	6.8
Italcementi	22,800	−100	460	1.6
Italgas	495	+13	40	8.1
Italsider	358	+8	60	1.7
La Centrale	9,800	+60	400	4.1
Marelli Ercole	500	......	—	—
Mediobanca	67,780	+230	1,100	1.6
Mondadori Priv.	1,610	......	120	7.4
Montedison	508	+8	33	6.5
Motta	1,136	−15	—	—
Olivetti Priv.	917	+9	70	7.6
Pirelli & C.	1,275	+75	95	7.4
Pirelli SpA	802	+2	50	6.6
RAS	68,750	+500	600	0.9
Rinascenti	82	......	—	—
Rumianca	2,550	+20	—	—
S.A.F.F.A.	5,690	+66	200	3.5
S.T.E.T.	1,494	−3	160	10.7
Snia Viscosa	1,539	+19	72	4.7
Soc. Gen. Immob.	217.75	+4.25	—	—

AMSTERDAM

Aug. 7	Price Fls.	+ or −	Div. %	Yld %
Ahold (Fl.20)	101.0	−0.6	16	3.5
Akzo (Fl.20)	38.2	+0.2	20	10.5
Algem Bnk (Fl.100)	348.5	+2.5	20	6.4
AMAs N.V. (Fl.10)	74.2	......	10	8.2
AMEV (Fl.20)	68	......	30	10.4
Amro Bank (Fl.20)	77.0	+0.3	20	5.2
Van Berkel's (Fl.50)	118.5	+0.7	16	6.4
Bijenkorf (Fl.20)	82	......	21	5.1
Boka Westm. Fl.10	112.1	−0.7	62	4.6
Buhrm.-Tetterode	64	......	25	7.2
Elsevier (Fl.20)	480.0	−0.5	24	1.0
Ennia N.V. Bearer	119.9	......	—	—
Euro Com Tst Fl.10	57	......	60.4	5.3
Gist Brocade Fl.10	61.1	−0.9	25	3.7
Heineken (Fl.25)	158	+3	14	2.3
Helma Blds. (Fl.10)	86.7	−0.3	18	4.9
Holland Fund	700	+2	15	2.1
Hoogovens (Fl.20)	61.5	+0.6	25	10.2
H'nterDouglas Fl.5	14.5	+0.3	11	0.7
I.H.C. Holland	59.4	−0.9	5	1.2
K.L.M. (Fl.100)	66.2	+0.7	—	—
Int. Muller (Fl.20)	50.4	+0.1	24	9.5
Naarden (Fl.40)	58.8	+0.5	20	3.4
Nat. Ned Ins'ance	85.3	−0.2	46.3	4.2
Ned Cred Bk (Fl.20)	45.9	+0.3	16	7.3
Ned Mid Bk (Fl.50)	143.8	+0.8	16	5.2
Nedo (Fl.50)	71.5	+0.5	10	7.0
Nijverdal T. Cate	86.6	......	5	10.6
O.G.E. (Fl.20)	177.0	−0.5	28	3.2
Van Ommeren	269.0	+3.5	20	7.5
Pakhoed (Fl.20)	101.0	−1.2	‡21¼	2.4
Philips (Fl.10)	26.1	+0.2	18	6.9
Rijn Sch Ver Fl.100	215	+1	16	6.5
Robeco (Fl.50)	162.1	−0.1	26.2	6.9
Rolinco (Fl.50)	128.9	−0.3	4	7.5
Rorento (Fl.50)	112.0	+0.2	10	8.4
Royal Dutch (Fl.20)	93.6	+2.8	40	6.6
Slavenburg's Bnk	269	−1	17	6.5
Tokyo Pac Hlg $1	FL.79.0	−0.8	$0.5	1.1
Unilever (Fl.20)	105.2	+0.4	56½	6.9
V.M.F.	184.5	......	16.5	7.3

TOKYO ¶

Aug. 7	Price Yen	+ or −	Div. %	Yld. %
Asahi Glass	240	−1	16	3.3
Canon	178	−12	12	3.4
Dai Nippon Print	448	−1	16	1.8
Fuji Photo Film	516	−1	15	2.4
Hitachi	153	−1	12	3.9
Honda Motors	520	−2	18	1.7
C. Itoh	380	−3	12	1.6
Japan Airlines	1,630	......	8	2.5
Kansai Elect. Pw.	678	−2	8	5.9
Komatsu	389	−5	18	2.3
Kubota	307	−2	15	2.4
Matsushita El.	498	−6	20	2.0
Mitsubishi Bank	341	......	12	1.8
Mitsubishi Heavy	119	+1	12	5.0
Mitsubishi Corp.	452	−2	14	1.4
Mitsui & Co.	427	−5	14	1.6
Mitsukoshi	406	−2	20	2.5
Nissan Motors	329	......	16	2.4
Shiseido	1,350	+10	25	0.9
Sony	5,250	−30	60	0.5
Taisho Marine	275	−4	11	2.0
Takeda Chemical	215	−2	15	3.5
Teijin	151	−1	15	5.0
Tokio Marine	495	−5	11	1.1
Tokyo Elect. Pwr	666	−4	8	6.0
Toshiba	108	−1	12	5.5
Toray	157	......	15	4.8
Toyota Motor	601	−9	16	1.3

Source Nikko Securities Tokyo

STOCKHOLM

Aug. 7	Price Kroner	+ or −	Div. Kr.	Yld. %
AlfaLaval 'B'	380	......	10	2.6
Asea	112	−1	5	4.4
Atlas Copco (Kr.25)	180	......	5.5	3.1
Billeruds	159	+3	10	6.2
Bofors	215	−5	d8	4.6
Cardo	325	−3	10.5	3.3
Cellulosa	229	......	11	4.8
Electrolux 'B'	138	−1	5.5	3.9
Ericsson B (Kr50)	237	+1	6	2.5
Fagersta	197	......	d6	3.1
Granges (free)	130	−1	11	8.5
Handelsbanken	179	+1	14	7.7
Marabou	175	......	8	4.6
Mo Och Domsjo	160	−2	9	5.6
Ratos	186	......	7	3.8
Sandvik A.B.	198	−1	8	4.3
S.K.F. 'B' Kr50	159	......	5.6	3.5
Skand Enskilda	170	−1	14	8.2
Tandstik 'B' (Kr50)	91	+0.5	5	0.5
Uddeholm	143	......	d8	6.0
Volvo (Kr50)	160	−1	4.4	3.9

SWITZERLAND ●

Aug. 7	Price Frs.	+ or −	Div. %	Yld. %
Aluminium	1,080	+10	12	5.6
Bally Hld.	825	......	—	—
BBC 'A'	1,380	......	10	3.6
Ciba-Geigy	1,545	−5	22	1.4
Do. Do. Part.	1,055	......	22	2.1
Do. Do. Reg.	635	......	22	3.5
Credit Suisse	2,890	+10	16	2.8
Fischer (Georg)	535	+15	—	—
Gnd. Mag. Jel. F10	1,090	+30	19	1.6
Hoffman La Roche	101,500	+1,750	1100	1.0
Interfood B.	2,375	+125	20	4.2
Juvena	595	+5	—	—
Do. Ptg. Cert.	56	......	—	—
LandisGyrB(F200)	565	−5	12	4.2
Nestle	3,210	......	n76.9	2.4
Do. Reg.	1,465	−5	n76.9	5.2
Sandoz (F250)	4,425	......	26	1.5
Saurer Arbon	790	+5	11	7.0
Soc. Inte. Pirelli	150	......	14	9.3
Swissair (F350)	410	......	8.6	7.3
Swiss Bank Corp.	438	+1	10	1.8
Un. Bank of Switz.	3,040	+20	20	3.3
Winterthur	1,740	+10	30	1.7
Zurich Ins.	9,725	+125	40	2.1

AUSTRALIA

Aug. 7	Aust. $	+ or −
Acrow Australia	†0.60	......
Adelaide Brig'ton Cem't 50c	†0.82	......
Allied Marg. Trdg. Indus $1	†1.52	−0.01
Ampol Exploration	†0.60	+0.05
Ampol Petroleum	†0.41	......
Assoc. Minerals	†2.75	+0.10
Assoc. Pulp Paper $1	†0.80	......
Aust. Con Industries	†1.75	−0.01
Aust. Foundation Invest.	†0.72	−0.01
A.N.I.	†0.81	......
Aust. Oil & Gas	†0.10	......
Blue Metal Ind.	†0.69	......
Bougainville Copper	†0.99	+0.02
Broken Hill Proprietary	†7.06	+0.04
BH South	†1.48	−0.05
Carlton United Brewery	†1.86	+0.01
G.J. Coles	†1.15	+0.01
CSR ($1)	†4.03	+0.05
Cons. Gold Fields Aust.	†2.90	−0.10
Container ($1)	†1.25	−0.05
Conzinc Riotinto	†2.10	+0.10
Costain Australia (25c)	†0.67	......
Dunlop Rubber ($1)	†0.70	......
ESCOR	†0.65	......
Elder Smith Gold M ($1)	†1.80	......
E.Z. Industries	†4.12	......
F. & T. (50c)	†0.50	......
Gen. Property Trust	†1.00	......
Gollin	†1.66	......
Hamersley	†1.07	......
Hooker	†1.0	......
I.C.I. Australia	†1.54	+1.02
I.A.C. Holdings	†0.75	−0.01
Inter-Copper	†0.38	......
Jennings Industries	†1.90	......
Jones (David)	†1.01	......
Meekatharra Minerals	†0.08	−0.02
Metals Exploration	†0.35	+0.01
MIM Holdings	†2.02	−0.05
Myer Emporium	†1.47	+0.01
News	†0.95	......
Nicholas International	†0.32	−0.02
North Broken Hill	†1.10	......
Oakbridge	†0.64	......
Oil Search	†0.25	−0.01
Pioneer Concrete	†0.74	+0.02
Reckitt & Colman	†2.36	−0.14
H.C. Sleigh	†0.57	−0.02
Southland Mining	†0.10	......
Spargos? Stocks & Holdings	†2.50	......
Tooth ($1)	†1.55	−0.04
Waltons	†0.70	......
Western Mining (50 cents)	†1.62	−0.01
Woolworth	†0.97	−0.01

BRUSSELS

Aug. 7	Price Frs.	+ or −	Div. Frs. Net	Yld. %
Arbed	4,005	−5	390	9.8
Banque de Brux.	2,470	−30	—	—
Bekaert 'B'	4,260	......	106	4.6
Brux. Lambert	2,140	+20	110	7.2
C.B.R. Cement	2,145	−20	150	6.9
Cockerill	1,068	+22	150	14.1
E.B.E.S.	4,090	......	151	7.9
Electrobel	6,060	−40	370	6.2
Fabrique Nat.	1,970	+20	—	—
G.B. Inno-Bm.	2,000	−10	130	6.4
Glace St. Roch	4,220	+60	310	6.5
Hoboken	5,945	−5	300	7.4
Intercom	1,660	−5	129	7.6
Kredietbank	7,030	+10	245	3.5
La Royale Belge	5,990	−10	265	4.4
Petrofina	3,320	+30	170	5.1
Photo Gevaert	1,180	+18	75	6.4
Pieux Franki	6,110	......	350	5.7
Soc. Generale	2,665	+15	175	6.5
Soc. Gen. Banque	3,065	−5	175	5.7
Sofina	3,200	−5	196	6.1
Solvay 'A'	2,660	−20	185	6.9
Traction Elec.	2,915	+5	150	5.1
U.C.B.	3,090	+15	175	5.7
Un. Min. (1/10th)	1,366	−10	95	6.9
Vieille Montagne	4,370	−35	360	8.4
Wagon Lits	814	......	35	4.3

OSLO ♣

Aug. 7	Price Kroner	+ or −	Div. %	Yld. %
Amerikalinje	136	......	—	—
Bergens Privatbk.	106	+1	9	8.6
Bergens Dampskib	75	......	—	—
Borregaard	123	−2	10	7.9
Brouagaard Krb.	1,650	......	13.3	5.3
Creditbank	116.7	+1.2	10	8.7
Dalfono Kr100	2,400	......	20	8.5
Follum	128	......	8	6.4
Hafslund	237.5	+2.5	12.5	5.2
Kosmos	627.5	+2.5	20	3.4
Kreditkassen	115	−1	10	9.0
Norsk Hydro Kr80	381.2	−0.3	12	1.9
Orkla Ind	107.5	......	4	3.7
Storebrand	145	......	10	6.9

COPENHAGEN

Aug. 7	Price Kroner	+ or −	Div. %	Yld. %
Burmeister & W.	50	......	—	—
Dan Landmandsbank	175½	−1	12	6.1
Dan. Provinsbank	170	......	10	5.8
Dan. Sukkerfab.	348	+1¼	12	3.7
Superfos	229½	......	12	5.1
East Asiatic Co.	307	......	12	4.1
Finansbanken	173	+½	13	7.7
For. Bryggerier	270	......	12	4.4
Handelsbank Cor.	176½	......	11	6.1
Papirfabrik For.	101½	−½	10	10.5
G. Northern Bld.	198	......	12	5.6
Nord Kabel	233½	−1½	12	4.9
Oliefabrik	222½	......	12	5.5
Privatbank	185½	......	11	5.9
Soph. Berendsen	324	−½	11	3.0

VIENNA

Aug. 7	Price %	+ or −	Div. %	Yld. %
Creditanstalt	580	......	10	2.9
Perlmooser	343	......	12	3.5
Selecta	745	......	48	6.4
Semperit	180	+5	—	—
Steyr Daimler	145	......	9	6.2
Veit Magnesit	375xc	+5	22	5.8

JOHANNESBURG

MINES

August 7	Rand	+ or −
Anglo American Corpn.	3.10	−0.03
Buffelsfontein	†21.00	
Charter Consolidated	2.63	−0.10
East Driefontein	11.90	−0.10
Elsburg	4.00	−0.05
Harmony	9.50	
Kinross	7.80	−0.10
Kloof	†11.50	−0.25
Leslie	1.55	
Potgietersrust Platinum	2.08	+0.03
St. Helena	†22.00	
South Vaal	13.00	−0.10
Goldfields S.A.	36.00	
Union Corporation	†5.75	
De Beers Deferred	3.40	−0.07
Blyvooruitzicht	19.80	−0.10
East Rand Props.	†11.00	+0.40
Free State Geduld	33.00	+0.13
Hartebeestfontein	†23.00	+2.10
President Brand	†27.30	
Stilfontein	9.53	+0.13
Welkom	†4.45	−0.05
West Driefontein	40.00	
Western Holdings	38.50	
Western Deep	†28.50	−0.50

INDUSTRIALS

	Rand	+ or −
Anglo-Alpha Cement	1.65	
Barlow Rand	3.43	
CNA Investments	2.10	
Currie Finance	†0.64	
Ever Ready SA	†1.10	
Greatermans Stores	†4.00	
Huletts	3.03	
Nedsual	2.13	
OK Bazaars	9.35	
Ovenstone Investments	0.95	
Pretoria Cement	†2.40	
Rembrandt Group	2.13	
Reynold's Bros.	†5.05	
SAPPI	1.55	
Sorec	†1.05	
SA Breweries	1.13	
SA Dists. and Wines	†4.15	
Tiger Oats and Nat. Millg.	†7.30	
Unisec	1.05	

SPAIN ♥

August 7	Per cent.	
Asland	276	−1
Banca Lopez Quesada	749	+5
Banco Bilbao	782	—
Banco Atlantico (1,000)	472	—
Banco Central	442	+6
Banesto (250)	632	—
Banco Exterior	559	+4
Banco General	1,026	—
Banco Granada (1,000)	422	—
Banco Hispano	529	—
Banco Iberico	631	—
Indubau	400	+19
Banco Ind. Cat. (1,000)	418	—
Banco Mercantil (1,000)	965	−10
Banco Noroeste	290	—
Banco Occidental	419	+8
Banco Popular	695	—
Banco Santander (250)	917	+5
Banco Urquijo (1,000)	577	−1
Banco Vizcaya	658	+5
Banco Zaragozano	382	+5
Bankunion	369	+5
Altos Hornos	153	−1
Babcock Wilcox	117	−2
Cepsa	322	−6
CIC	441	+2
Crecinco	175.11	−0.25
Dragados	690	−5
Inmobanf	148	—
Energias Ara	153	−2
Espanola Zinc	219	+2
Expl. Rio Tinto	314.50	−0.50
Fecsa (1,000)	135	—
Fenosa (1,000)	128	—
Finanzauto SA	448	+1
Finanzauto Servicios	455	+1
Gal. Preciados	414	—
Grupo Velazquez (400)	805	−5
Hidrola	156	−3
Iberduero	225	−2
Motor Iberica	225	—
Olarra	480	−18
Petroliber	285	−5
Sarrio Papalera	318	−2
Seat (1,000)	180	−5
Sevillana Elec.	137	−4
Sniace	121	—
Telefonica	229	−3
Tubacex	391	—
Union Elec.	130	−1
Union y Fenix	599	−28
Urbis	229	—

NOTES: Overseas prices exclude $ premium. Belgian dividends are after withholding tax.

◆ DM50 denom. unless otherwise stated. ♣ Kr 100 denom. unless otherwise stated. ♥ Ptas 500 denom. unless otherwise stated. ● Frs.500 denom. unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. ‡ Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs, including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. Δ Interim since increased.

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FARMING AND RAW MATERIALS

Coffee tree frost toll assessed

By Our Commodities Staff

THE Brazilian Coffee Institute (IBC) yesterday confirmed that losses from the 1976-77 Parana crop will be almost total following last month's frost disaster.

Although no further crop loss details were given, the IBC published its estimates of the number of trees affected by the frost. It said 100 per cent. of Parana's 915m. trees were affected while in Sao Paulo the frost damaged 66 per cent. of the 800m. trees. Of Mato Grosso's 55m. trees only 20 per cent. escaped damage but in Southern Minas Gerais less than 30m. out of 292m. were affected.

The figures are broadly in line with unofficial estimates and had little effect on prices. On the London terminal market the November position declined £8 to £768.5 a tonne.

The IBC has meanwhile released details of its 8,100m. Cruzeiro (£467m.) coffee recovery plan for frost damaged trees. Aid will take the form of loans granted on the basis of the severity of damage and the number of trees affected.

U.S. to boost citrus exports

By A Correspondent

SUNKIST AIMS to double its citrus exports to the U.K. from this year's forecast total of between 1m. and 1.25m. cartons to 2.5m. by 1980, according to Mr. Roy Utke, president of the U.S. organisation.

He described the rapid rise in overall volume in 1975 as an achievement unparalleled by Sunkist in any of the 20 countries it supplies in addition to the U.S. and Canada and added that prices in Britain have been comparable with those obtained elsewhere in Europe.

In 1976, plans are to stabilise Sunkist's position in the U.K. market and increase overall exports by approximately 20 per cent.

ALUMINIUM PRICE INCREASE

CANTON, OHIO, August 7.

ALCAN ALUMINUM Corporation, a subsidiary of Alcan Aluminium, is raising the price of 99.5 per cent. primary aluminium ingot to 41 cents a lb from 39 cents from August 11.

The company said the price of other ingot products and selected semi-fabricated products would be adjusted as appropriate.

Reuter

General rise in London metal markets

BY RICHARD MOONEY

THE London Metal Exchange came to life yesterday after several weeks in the doldrums and all base metal quotations finished with significant gains. The extreme weakness of sterling was again a major factor but copper values were also boosted by the presence of one very big buyer in the market.

Copper prices opened higher despite the fall in the New York market on Wednesday and quickly climbed further encouraged by increased buying interest and currency considerations. A stronger opening in New York sparked off some chart buying in the afternoon and prices finished close to the highs despite some quite heavy profit-taking in late dealings. Cash copper ended the day £13.5 higher at £587.5 a tonne.

The tin market was also very strong with cash metal ending at £3,243.5 a tonne, up £67.5 on the day. Some quite heavy speculative buying plus a big pricing contract boosted the market in the morning. Traders became more hesitant in the afternoon and some began to take profits, but renewed U.S. buying soon had prices on the upward path again. The Penang price advanced again overnight to finish above the $M1,000 mark again.

The stronger tone in tin over the past few days may be partly due to the fast-declining supplies available for sale out of the current International Tin Council three-monthly export quota, which began in July. The amount remaining from the quota would allow average daily export sales of some 150 tonnes, well below the current market level.

Zinc firm

The continuing shortage of zinc available for nearby delivery, aided by the weakness of the pound and chartist and stop-loss buying encouraged a very firm tone in the zinc market and cash metal ended £11.75 up at £344.75 a tonne. The rise was also encouraged by increasingly confident rumours of an impending rise in the European producer price.

Lead closed £7.625 higher at £179.5 a tonne largely as a result of the strong tone in copper. Some speculative buying was seen but the price eased on profit-taking in after-hours dealings.

Hedge buying and fresh chartist demand for silver helped to lift the spot quotation by 7.5p to a new 15-month high of 244.05p a troy ounce at the bullion fixing. But the main factor was again sterling weakness. The trend was continued in dealings on the LME where spot silver closed at 248.25 an ounce, up 8.75p.

Chase Manhattan Bank is considering making a loan to Japanese copper smelters to help them finance the stockpiling of surplus copper in Japan reports Reuter from Tokyo.

But a Bank spokesman said "it may take some further time" before an agreement could be concluded. Copper industry sources here said the loan now being negotiated was for $100m. compared to an earlier plan for a $150m. loan. Earlier Japanese Press reports in June said Chase might supply a loan of $300m. to the smelters.

Heatwave hits meat sales

BY PETER BULLEN

BUTCHERS HAVE been slashing retail beef prices in the past few days to entice the customers that the heatwave is keeping out of their shops.

Reductions have ranged from a few pence to 10p, 15p and even more per pound said a spokesman for the Retail Butchers National Federation yesterday. Even the better quality, easily cooked cuts had been reduced in price.

Lamb prices are also lower following a 3p to 4p a pound drop in wholesale prices this week, but there is a wide variation in quality. Pork prices are also being affected by the pressure from the heavy supplies of beef and housewives' reluctance to buy in the hot weather.

For livestock farmers the return to heatwave conditions has been a double blow. The beef market was just beginning to climb out of the trough reached in mid-July when the U.K. average fatstock price dropped to £16.93 a live cwt. Prices began to pick-up following the changes in the "Green pound" and the Government's declaration of long-term target prices to encourage retention of beef animals through the winter.

The hot weather brought both a slump in demand and added pressure to the country's meagre fodder supplies leading to increased marketings of cattle and sheep. As a result the average market price, which rose to £17.59 a live cwt at the end of July, is expected to be back to £17.18 this week.

So far the lower market prices do not seem to have stimulated meat traders into selling more beef into intervention in the past few days. This could be due to the increased attraction of the beef export market as the monetary compensation levies on U.K. beef exports were cut from 6.39p a pound to 3.15p a pound this week following the "Green pound" devaluation and the improvement in the value of sterling against other currencies (except the dollar).

The absence of offers of beef into intervention should please Mr. Fred Peart, the Minister of Agriculture, who is not at all keen on beef being put into cold store where it loses quality—particularly as Britain's intervention beef stocks have risen rapidly from the two tons registered four weeks ago to 270.5 tons this week plus another 109.5 tons in Northern Ireland.

Indian rubber export subsidy

KOTTAYAM, August 7.

INDIA HAS completely ruled out future imports of rubber following the Government's decision to subsidise natural rubber used in the manufacture of rubber goods for export, Mr. K. M. Chandry, the Rubber Board chairman, said.

In an interview with the Press Trust of India he said this measure was also intended to stabilise domestic prices and help manufacturers compete in international markets. He added that growers should not be alarmed at the consequent fall in internal prices following the Government's decision as only rubber used for export goods would be subsidised.

Reuter

Sudden leap in grain prices

By Peter Bullen

GRAIN PRICES jumped sharply in U.S. and U.K. markets yesterday fuelled by the fall in sterling, growing fears of drought damage to Northern Hemisphere crops and the prospect of fresh big Soviet purchases.

In Chicago maize and soyabeans opened limit-up and wheat prices were very firm while in London barley futures rose by £2.35 to £61.05 a ton and home milling wheat rose £1 to £63.5 in what one trader described as a "very excited market."

From Washington Reuter reported that Mr. Richard Bell, U.S. Assistant Secretary of Agriculture, repeated his estimate that the USSR was likely to import 20m. to 25m. tonnes of grain from all sources this year.

This means that the USSR still needs to buy at least 11m. or 12m. tonnes more on the world market even though Mr. Bell discounted forecasts of the USSR needing 30m. tonnes eventually.

Another boost to the markets was provided by the National Maize Growers' Association's estimate of a 5,754m. bushels U.S. maize harvest compared with the U.S. Department of Agriculture's forecast last month of 6,045m. bushels.

EEC tomato concentrate import curb

By Reginald Dale, Common Market Correspondent

BRUSSELS, August 7.

THE EEC has decided to act against cheap imports of tomato concentrates by setting minimum price levels for imports between now and the end of August.

Announcing the measures here to-day, the Brussels Commission said that the Community market was threatened by serious disruption as a result of imports from Third Countries at prices between 30 and 40 per cent. lower than those in the Community.

Last year's production of tomato concentrates both inside and outside the Community had been higher than in previous years, leaving the EEC with unsold stocks of 45,000 tonnes, or a third of total EEC production, the Commission said. Stocks in countries outside the Community had reached around 60,000 tonnes.

Minimum import prices for the three new EEC member States — Britain, Ireland and Denmark—would be considerably lower than for the Six original members.

U.K. AGRICULTURE

Tied cottages 'will be abolished'

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

THE GOVERNMENT has decided to abolish the tied cottage in agriculture in accordance with its pledge in two recent electoral manifestos. At the same time, while stating that the normal procedure would be simply to publish a Bill to this effect, the Ministers concerned, Mr. Ernest Armstrong, Parliamentary Under Secretary of State at the Ministry of the Environment and Mr. Gavin Strang Parliamentary Secretary of the Ministry of Agriculture, stated yesterday that the complexities of the problem were such that a consultative document was an essential first step so that all parties in the industry could make their contribution as to how the reform should be carried out.

Both Ministers emphasised that the subject of the discussion was to be how the reform could be effected. There was to be no question of whether the move was in fact desirable from the point of view of increased home food production, or anything else, other than the honouring of an election manifesto.

Qualifying

The Government's intention is that only agricultural houses should be affected, although, according to recent surveys they only account for 10 per cent. of the whole number of service houses. The aim is to give all farm workers in service accommodation the same security as other tenants under the Rent Acts, with the modification that once legislation is enacted a farmer employer will not be able to get possession of a tied house to provide accommodation for another worker, as is possible at present for other land.

It will be essential for the legislation to distinguish between the genuine long-term farm worker and those who simply take a job in farming in order to secure a short cut to a statutory tenancy. This means that there should be a qualifying period before the farmworker is able to claim the benefit of the new legislation. Whether it would be of length of employment in the industry or for a particular farmer would be obvious points for discussion.

The consultative document recognises that there may be cases where it is essential for some labour to be housed on or near a farm, such as a dairy farm or one in isolated countryside, so that the full potential of agriculture should not be inhibited by shortage of labour. In this case it is suggested that the farm or the occupation should be registered with the Local Authority and the duty of finding suitable accommodation should rest with the authority. Indeed the provision of alternative housing which is already the duty of the local authority will, if this proposal is adopted, form an important part of their duties.

Once the proposal is enacted, workers already in service houses on farms will become subject to the Fair Rent Clauses of the Rent Acts in the same way as other private tenants, but will no longer be bound to remain in farming to keep a roof over their heads.

The proposal is a victory for the National Union of Agricultural and Allied Workers which has campaigned for it for years, partly on the need for security of tenure and also on the ground that the tied cottage was the main reason for wages in farming being lower than in other industries. On this point there is no real evidence that the tied house of itself depresses wages. Indeed the Tavistock Report on tied housing pointed out that on the whole workers in tied housing earned higher wages than those living in other accommodation. This probably means that farmers pay higher wages to their best men who insist on being housed near their job.

Opposition

The National Farmer's Union reaffirmed its strong opposition to the proposals and the vice-president, Mr. John Cossins accused the Government of being "manifestly discriminatory in singling out the agricultural service house which comprises only 10 per cent. of all services house accommodation for abolition."

Mr. Cossins went on to claim that the measure could do incalculable harm to food production, particularly in the milk and livestock sectors which were already suffering from reduced herds and a decline in output.

There is some doubt as to whether the abolition of the agricultural service house will apply to Scotland, where the incidence of such housing is higher than in England and Wales, and where a spokesman for the union representing the Scottish farm workers has said that his members did not desire its abolition. The question will be left to the Secretary of State for Scotland.

According to the Tavistock Report the total number of cottages on labour-employing farms is estimated at 171,000 of which 53 per cent. are occupied by full-time workers, 19 per cent. let to non-workers, 14 per cent. to pensioners or widows, 9 per cent. empty and 4 per cent. let to farmers' families. The highest proportion of farm workers living in tied housing are cowmen, stockmen and managers of whom more than 75 per cent. are housed in this way.

Local labour

The document recognises the difficulties which may affect the livestock sector, and it is on solving the problems which may arise here that some sort of registration of either farms or specific jobs may have to be undertaken by the local authority. Without the full co-operation of the local authorities both in administration, and providing accommodation, it is doubtful if the scheme would work at all. So far, the Government has not had direct talks with the local authorities on this subject to see if they are able or even willing to co-operate.

The Association of District Councils stated in this connection: "that the financial implications of expanded housing activity by rural authorities at a time of standstill in local authority staffs and expenditure generally raises a very large question mark."

It is certain that the prospect of not being able to ensure housing for essential workers will cause many of the larger farmers to modify their systems to what they feel can be managed with family or local labour. It is possible, too, that this could also lead to the development of partnership or share farming systems both in livestock and arable production. Neither of these qualify as employed categories at present, and would probably only occupy houses on the farms during the time of their share farming, as in New Zealand for instance. It is almost certain, too, that the agricultural labour force will drop and that the supply of country cottages offered as second homes will increase markedly as farmers sell their empty houses.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Surged ahead on the London Metal Exchange. The previous day's fall on Comex was ignored by a market which was more concerned at the continuous weakness of sterling. A sizeable influential buyer also made his mark and this coupled with a subsequent recovery on Comex and chart buying lifted three month wirebars to a high of £611 during the afternoon. Profit-taking then brought prices off the top but the market closed with a steady undertone. Turnover 13,973 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	583-.5	+6.5	587-8	+15.5
3 months	603-.5	+8.5	607-8	+15
Settlem'nt	583.5	+6.5	—	......
Cathodes				
Cash	572.5-3	+7.5	576.5-7	+15.5
3 months	592-.3	+7.25	596.5-7	+14
Settlem'nt	573	+7.5	—	......
U.S. Smt.	—	......	*60-63.7	......

Amalgamated Metal Group reported that in the morning cash wirebars traded at £582.50, 83, 83.50, three months £597, 98, 99, 600, 599.50, 600, 601, 02, 03. Cathodes: Cash, £572, 72.50, three months £592, 92.50. Kerb: Wirebars, three months £604, 05, 05, 07, 06, 04, 05.50. Cathodes, untraded. Afternoon: Wirebars, cash £587.50, three months £608, 09, 10, 11, 10, 08, 09, 09.50, 10, 09, 07, 07, 06, 07.50, 07, 07.50. Cathodes, cash untraded. Three months £596, 96.50. Kerb: Wirebars, cash £589, mid-Aug. £590, three months £608, 09, 08.50, 09, 06, 05.50, 08. Cathodes, untraded.

TIN—Fresh advance reflected the usual sterling considerations together with a further recovery in Penang and speculative buying here. Profit-taking was absorbed in standard three months tin which moved further ahead on U.S. buying to a day's high of £3,270 before closing at £3,265 on the kerb. Turnover 900 tonnes.

Morning: Standard, cash £3,210, £3,225, £3,227, three months £3,220, £3,225, £3,210, £3,235, £3,240, £3,245, £3,248, £3,230, £3,251. High Grade, untraded. Kerb: Standard, three months £3,245, 37, 40, 45. High Grade, untraded. Afternoon: Standard, cash £3,240, three months £3,250, 58, 60, 67, 70, 67, 70. High Grade, all untraded. Kerb: Standard, three months £3,265. High Grade, untraded.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	3225-50	+85.5	3242.5	+67.5
3 months	3250-2	+84.5	3265-75	+69.5
Settlem't	3250	+85	—	......
Standard				
Cash	3225-50	+85.5	3242.5	+67.5
3 months	3250-2	+84.5	3265-75	+69.5
Settlem't	3230	+85	—	......
Straits E.	$1004¼	+9½	..	......
New York	—	......	*356.25	+4

LEAD—Moved ahead in the wake of copper with a fair amount of speculative buying and profit-taking providing a good turnover which totalled 4,400 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	175.5	+5½	178-80	+7½
3 months	185-.25	+6.25	186.5-7	+7
Settlem't	175.5	+5.25	—	......
N.Y. Spot	—	......	19-22¼	......

Morning: Cash £175.25, three months £182, 82.50, 83. Kerb: three months £183.50. Afternoon: Cash, untraded, three months £185, 86, 87, 86.50, 86, 86.50. Kerb: mid-Oct. £185, three months £187, 86.

ZINC—Prices jumped, three months metal reaching its highest since early-October. Chartist and stop-loss buyers played their part as did revived talk of a possible rise in the European producer price. Turnover 4,700 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	
Cash	341.2	+10½	344.5-5	+11½
3 months	352-.5	+9.5	355.5-6	+11.5
Settlem't	342	+11	—	......
Prm. West	—	......	*58½-9	......

Morning: Cash £337, 38.50, 41, 42, three months £348, 49, 50, 51, 52, 52.50. Kerb: untraded. Afternoon: cash untraded, mid-Aug. £347, three months £357, 58, 59, 58, 57, 58, 56, 55.50. Kerb: three months £356, 54.

* Cents per pound. † On previous unofficial close. ‡ $M per picul.

SILVER

Silver was fixed 7.5p an ounce higher for spot delivery in the London bullion market yesterday at 244.05p. U.S. cent equivalents of the fixing levels were: Spot 516.2c (505.0c), three-month 537.4c (516.0c), six-month 538.2c (526.7c), and 12-month 561.2c (549.8c). Silver opened at 244-245p (516-518½c) in an active market and closed at 248-249p (522-524½c).

SILVER per troy oz.	Bullion fixing prices	+ or —	L.M.E. close	+ or —
Spot	244.05p	+7.5	248.25p	+8.75
3 months	251.85p	+7.75	256p	+8.2
6 months	259.6p	+7.9	—	......
7 months	—	......	265.5p	+9.25
12 months	275.25p	+7.85	—	......

LME—Turnover 251 (167) lots of 10,000 ozs. Morning: Three months 252.3, 2.4, 2.5, 2.7, 2.6, 2.5, 2.6, 2.5; seven months 262.5. Kerbs: Three months 253.0, 52.8, 53.0, 53.3, 53.5. Afternoon: Three months 257.0, 56.8, 57.0, 56.5, 56.0, 55.8, 55.5, 56.0, 55.8, 55.7, 56.1, 56.0. Kerbs: Three months 256.00, 55.5.

COCOA

Values advanced sharply in response to the sterling weakness and reached limit-up on the first position during the afternoon in thin conditions, reports Gill and Duffus. However, follow-through support was lacking and values quickly lost most of the day's gains.

COCOA	Yesterday's Close	+ or —	Business Done
No4 Contract			
September	610.0-12.0	+10.0	602.0-22.0
December	580.0-80.5	+7.5	574.0-90.0
March	572.0-80.0	+5.0	567.0-80.0
May	572.5-74.0	+11.0	564.0-9.0
July	571.0-2.0	+7.0	561.5-74.0
September	572.0-5.0	+1.0	570.0
December	575.5-77.0	+8.0	577.0

Sales: 1,900 (2,009) lots of 10 tonnes.

International Cocoa Agreement prices: Daily 53.91 (53.72) U.S. cents per pound: indicator 15-day average 56.12 (56.01): 22-day average 54.66 (54.33).

FREIGHTS

DRY CARGO—Grain chartering improved but rate levels remained depressed with no sign of any recovery in the near future. Grain bookings included cargoes from the U.S. Northern Range to Holland at $4.75 f.i.o. for Aug. and from Toledo to Holland at $12.75 f.i.o. completing St. Lawrence $8.75 for Sept.-Oct. Grain was also booked from the U.S. Gulf to Poland at $7 f.i.o. for Aug.-Sept. Grain cargoes were covered too from the Great Lakes to Antwerp-Hamburg range at $13 f.i.o. for Aug. and from the same loading area to Lisbon at $13.75 f.i.o. for Aug. In other directions, grain was fixed from the U.S. Gulf to Angola at $18 f.i.o. for Aug. and to Venezuela at $7.25 f.i.o. for Aug. Fertiliser shippers booked tonnage from Houston to Santos at $12.50 f.i.o. and from Houston and Tampa to Paranagua at $13 f.i.o. both for Aug. A cargo of scrap from Northern Range to Japan paid $300,000 f.i.o. based on 22,000 long tons for Aug.

COFFEE

Robusta terminal turned hesitant after lunch in scale-up trade deals with some commission house and speculative interest. The IBC details of frost damage in Brazil was largely discounted. However, the new low of sterling against the dollar was a sustaining factor despite which values closed lower.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
September	764.0-65.0	—9.5	765.0-76.0
November	758.0-59.0	—9.0	769.0-79.0
January	771.0-72.0	—7.5	770.0-80.0
March	772.0-73.0	—9.0	772.0-77.0
May	773.0-74.0	—8.5	774.0-78.0
July	773.0-74.0	—11.0	774.0-80.0
Sept.	776.0-77.0	—10.0	777.0-80.0

Sales: 960 (951) lots of 5 tonnes.

Latest published ICO indicator prices. U.S. cents a pound. Colombian Mild Arabicas 101.50 (same). Other Mild Arabicas 93.50 (same). Unwashed Arabicas Santos Fours 97.25 (97.00). Robustas 77.90 (76.75). Daily average 88.92 (86.75).

ARABICA CONTRACT (In order—buyer, seller, business, sales)—August 90.00, nil, nil; Oct. 90.50-91.00, 92.50-92.00, 4; Dec. 93.00-92.50, 92.50-92.00, 18; Feb. 92.60-93.00, 93.90, 1; April 93.50-94.00, nil, nil; June 94.00-96.25, nil, nil; August 94.50-96.00, nil, nil. Total sales, 23 lots.

RUBBER

STEADY opening in the London physical market. Good interest throughout the day, closing on a quietly steady note. Lewis and Peat reported a Malaysian godown price of 145 cents a kilo (buyer, September).

No. 1 R.S.S.	Yesterday's close	Previous day's close	Business done
Sep.	37.50-38.20	37.50-38.50	—
Oct.	38.00-38.50	37.50-38.50	38.60-38.50
Oct.-Dec.	38.30-38.40	38.20-38.50	38.75-38.40
Jan.-Mr.	38.85-38.90	38.45-38.50	38.20-38.80
Ap-Jun.	40.05-40.10	39.70-39.75	40.30-39.90
Jy-Sept.	40.75-40.80	40.50-40.60	41.00-40.50
Oct-Dec	41.35-41.40	41.10-41.20	41.45-41.40
Jan-Mr.	41.65-41.75	41.45-41.50	41.80-41.65
Ap-Jun.	42.00-42.25	41.70-41.90	42.20-42.00

Sales: 130 (183) lots of 15 tonnes.

Physical closing prices (buyers) were: Spot 37.0p (36.5p); Sept. 31.25p (31.15p); Oct. 32.25p (32.0p).

GRAINS

THE BALTIC—Prices firmed throughout U.K. grain markets with hot and dry weather in Europe and lower U.S. corn crop estimates forcing prices higher. The weakness of sterling against the dollar also contributed to the trend in the U.K.

Wheat: Canadian Western Red Spring No. 1 13½ per cent. unquoted. U.S. Dark Northern Spring No. 2 14 per cent. Sept. £96.0, Oct. £96.20, Nov. £98.50, Dec. £99.50 transhipment East coast: August and Sept. £88.50, Nov. £88.85 Direct Tilbury. EEC Feed late August/early Sept. £59.00 East Coast.

Maize: No. 3 Yellow American/French August £65.75, Sept. £66.75 transhipment East Coast.

Barley: EEC Feed August £58.25, Sept. £62.00 East Coast.

MARK LANE—Prices firmed in all sections due to unrelenting hot and dry weather over most U.K. growing areas, the weakness of sterling against the dollar and firm U.S. markets. The following are average sellers' quotations per long ton for delivery London area: Wheat—Hagburg, Sept. £63.50, Oct.-Dec. £67. Denaturable Sept. £61.25, Oct.-Dec. £64.50. Barley—feed unquoted.

LONDON GRAIN FUTURES MARKET (GAFTA)—Wheat, firm. Close: Sept. 61.85, Nov. 64.50, Jan. 66.90, March 68.35, May 70.00. Business: Sept. 61.60-60.55, Nov. 64.50-63.50, Jan. 67.00-66.40, March 68.60-68.30, May 70.05-69.70. Barley, very firm. Close: Sept. 61.65, Nov. 63.40, Jan. 65.70, March 67.60, May 69.70. Business: Sept. 61.05-60.60, Nov. 63.40-62.30, Jan. 65.70-64.90, March 67.60-66.70, May 68.45-68.30.

HGCA—Location ex-farm spot prices. Soft milling wheat: S. Lincoln £56.60. Feed wheat: S. Lincoln £54.95, Wiltshire £59.90. Feed barley: S. Lincoln £53.40, Wiltshire £53.93. The U.K. Monetary Co-efficient for the week beginning August 11 is expected to remain unchanged.

EEC DAILY IMPORT LEVIES—The following EEC levies and premiums are effective for August 8 (in order, current levy plus Sept., Oct., and Nov. premiums, with previous in brackets). All rates are in Units of Account per tonne. Soft Wheat and Mixed Wheat and Rye—27.82, nil, nil, nil (27.23, nil, nil, nil). Hard Wheat—17.65, nil, nil, nil (17.65, nil, nil, nil). Rye—44.19, 0.78, 0.78, 0.78 (44.88, 0.78, 0.78, 0.78). Barley—10.67, nil, nil, 0.30 (11.91, 0.33, 0.33, 1.32). Oats—8.49, 3.95, 3.93, 3.93 (9.73, 3.47, 3.47, 3.94). Maize (other than hybrid for seeding)—9.24, 4.74, 4.74, 7.89 (10.09, 5.33, 5.33, 9.35). Buckwheat—11.78, nil, nil, nil (11.78, nil, nil, nil). Millet—7.91, nil, nil, nil (8.89, nil, nil, nil). Grain Sorghum—21.23, 1.15, 1.15, nil (22.93, nil, nil, nil). EEC levies are also effective for August 8 for the following flours: Wheat or Mixed Wheat and Rye Flour—56.99 (56.99). Rye Flour—89.83 (91.73).

SUGAR

LONDON DAILY PRICES (raw sugar) Higher at £200.00 (£185.00) a ton c.i.f. for Aug.-Sept. shipment. White sugar daily price was £198.00 (£205.00).

Initial Commission-house buying was well absorbed by trade selling prices thereafter declined and although the trend was reversed later, the arbitrage buying pushing prices back towards and slightly beyond the opening level reports C. Czarnikow. This move halted as values approached £200 once more and trading over the last hour or so was confined to narrow limits.

Sugar Pref. Comm. Con.	Yesterday's Close	Previous Day's Close	Business Done
	£ per ton		
Oct.	197.50-98.50	190.95-91.00	190.00-99.00
Dec.	194.25-94.50	187.50-88.00	186.00-95.50
March	191.75-91.80	186.00-88.50	187.00-93.00
May	188.75-89.00	182.50-83.00	183.00-90.50
Aug.	187.50-88.00	180.50-81.00	181.00-88.00
Oct	186.00-88.00	180.00-81.00	185.00-88.00
Dec.	186.00-88.00	178.00-81.00	—

Sales: 2,738 (2,834) lots of 50 tons.

Tate and Lyle ex-refinery price for granulated basis white sugar was £228.60 (same) a long ton for home trade and £235 (£260) a long ton for export.

SOYABEAN MEAL

	Yesterd'y Closes	+ or —	Business Done
	£ per tonne		
August	86.00-8.00	+0.7	—
October	87.60-7.70	+2.85	86.40-7.70
December	87.80-8.00	+2.65	87.00-8.20
February	89.10-9.20	+2.05	88.00-9.50
April	90.00-0.50	+2.60	—
June	91.00-92.10	+2.70	—
August	91.80-5.00	+2.60	—

Sales: 80 (62) lots of 100 tonnes.

WOOL FUTURES

LONDON—The market rose higher in active trading, reports Bache.

(Pence per kilo)

Australian Greasy wool	Yesterd'ys close	+ or —	Business Done
October	166.5-68.0	+3.25	164.5-6.5
December	168.0-70.0	......	—
March	175.5-76.5	......	176.5
May	178.0-80.0	+1.0	—
July	182.0-84.0	+1.5	182.0
October	186.5-88.0	+2.0	184.5-6.5
December	190.5-92.0	+2.75	190.5
March	191.0-94.0	+3.5	191.0

Sales: 107 (29) lots of 1,500 kilos.

SYDNEY GREASY (In order buyer, seller, business, sales)—Oct. 252.0-253.0; 253.0-3.0; 74. Dec. 257.5-258.0; 259.5-57.0; 13. March 262.4-262.5; 263.5-62.0; 44. May 265.0-265.5; 266.0-64.3; 43. July 266.5-267.0; 267.5-66.0; 59. Oct. 268.5-268.8; 270.0-67.5; 20. Dec. 268.4-269.0; 269.0-68.0, 36. Total sales: 259 lots.

MEAT/VEGETABLES

SMITHFIELD (prices in pence per pound)—Beef: Scottish killed sides 29.0 to 32.0; Eire hindquarters 35.0 to 37.0, forequarters 17.0 to 18.0.

Veal: English Bobbies 5.0 to 8.0; Scottish Bobbies 5.0 to 8.0; Dutch hinds and ends 58.0 to 62.0.

Lamb: English small 28.0 to 32.0, medium 26.0 to 28.0, heavy 24.0 to 26.0; Scottish medium 25.0 to 27.0, heavy 23.0 to 24.0. Imported frozen: New Zealand D's 28.3 to 29.0, 2's 28.0 to 29.0, 8's 27.0 to 28.0, YL's 26.0 to 27.0.

Pork: English, under 100 lbs 23.0 to 32.0, 100-120 lbs 25.0 to 31.0, 120-160 lbs 28.0 to 30.0, 160-180 lbs 25.0, 180 lbs and over 22.5 to 25.0.

MEAT COMMISSION—Average fatstock prices at representative markets on August 7: G.B.—Cattle £17.60 per live cwt. (—0.11); sheep 28.8p per pound e.d.c.w. (—2.8); pigs £3.95 per sc.l.w. (—0.31). England and Wales—Cattle numbers down 18.3 per cent., average price £17.75 (—0.56); sheep numbers down 2.3 per cent., average price 29.3p (—2.8); pig numbers up 37.7 per cent., average price £3.93 (—0.37). Scotland—Cattle numbers up 3.9 per cent., average price £18.79 (+0.38); sheep numbers down 4.4 per cent., average price 25.6p (—2.8); pigs nil. Pig number comparisons should be treated with caution because ending of fatstock guarantee scheme means change in definition.

COVENT GARDEN (Prices in sterling)—Imported Produce: Oranges—Brazilian: 2.10-2.20; South African: 2.35-2.60; Californian: 2.60-3.70. Grapefruit—South African: 3.00-4.30. Lemons—Italian: 5.20-5.40; South African: 3.80-6.20. Apples—South African: Granny Smith 6.60; Spanish: Cartons, Golden Delicious per 38 lbs 5.30; Western Australian: Granny Smith 6.40; Tasmanian: Democrats 6.20, Crofton 6.30, Sturmer 6.50. Pears—French: per 28 lbs 3.36. Bananas—Italian: per pound Williams 0.14-0.15; Windward Islands: per 28 lbs 2.70; Jamaican: 2.60. Grapes—Cypriot: Per 18 lbs Sultana 2.10, Thompson seedless 1.50; Italian: Regina Nieti per 12 lbs 1.60; Italian: Regina approx. 10 lbs 1.30. Peaches—Italian: Per 14-trays 3.00-3.20. Plums—Spanish: Santa Rosa 2.00-2.60. Greengages—Spanish: 2.00-2.40. Tomatoes—Guernsey: 1.20; Jersey: 1.20. Courgettes—Jersey: 0.50. Onions—Spanish: 3.00. Melons—Spanish: 1.60-2.00.

English Produce: Lettuce—Per 12 round 1.60, cos 1.50. Cucumbers—Per tray 12 1.40, 14 1.40, 16 1.40, 18 1.30. Potatoes—Per 56 lbs 2.60-2.70. Celery—Per 20 24 2.00-2.40. Peas—Per 38 lbs 3.60. Mushrooms—Per pound 0.20-0.25. Cabbages—Per bag, Primo 0.50. Marrows—Per 18 0.70. Cherries—Per pound black 0.40, white 0.30. Cauliflowers—Per 12 0.70-0.80. Beetroot—Per 12 lbs 1.30. Tomatoes—Per 12 lbs 1.00-1.20. Runner beans—Per pound 0.07-0.10. Onions—Per 56 lbs 2.60. Apples—Per pound Grenadiers 0.07-0.08, Bramleys 0.11, George Cave 0.09-0.10, James Grieve 0.09. Courgettes—Per pound 0.50. Carrots—Per 28 lbs 0.50-0.60.

JUTE

DUNDEE—Quiet. Prices c. and f. U.K. for Aug.-Sept. shipment: BWB £195, BWC £188, BWD £181. Tossa: BTB £197, BTC £190, BTD £183. Calcutta goods steady. Quotations c. and f. U.K. for Aug. shipment: 10-oz. 40-inch £6.72, 7½-oz. £5.15. Sept. £6.59 and £5.26, Oct.-Nov. £7.12 and £5.44. "B" twills £21.33, £21.48 and £21.73 for the respective shipment periods. Yarns and cloths unchanged.

LONDON—Quiet. Bangladesh White "C" grade Aug.-Sept. £195. Bangladesh White "D" grade Aug.-Sept. £188. A long ton.

CALCUTTA—Steady. Indian Aug. Rs.470. Dundee Daisee Aug. Rs.425. A bale of 400 lbs.

*

COPRA—Philippines: Aug.-Oct. $245 reseller per tonne c.i.f. North European ports.

*

COTTON—Liverpool. Spot and shipment sales amounted to 644 tonnes, bringing the total for the week so far to 1,400 tonnes, reports F. W. Tattersall. Demand improved with fresh spinner interest in a wide variety of American-type styles. Middle Eastern and African qualities remained in sustained request.

JAPAN EXTENDS SRI LANKA LOAN

TOKYO, August 7.

The Export-Import Bank of Japan has signed an agreement with the Government of Sri Lanka to extend a Y4.5bn. (£700,000) loan, to be used for the purchase of commodities from Japan and developing countries.

The bank said the loan would be repayable over 27 years, including a seven-year grace period at an interest of four per cent.

Reuter

PRICE CHANGES

Prices per ton unless otherwise stated.

	Aug. 7 1975	+ or —	Month ago
Metals			
Aluminium (w)	£596	......	£598
Free Market cif	£555-545	......	£505-515
Copper (‡)			
Cash Wire Bars (w)	£587.5	+15.5	£562.5
3 month do. do. (w)	£607.5	+15.75	£570.5
Cash Cathode (w)	£576.75	+15.5	£539.5
3 months do. (w)	£596.75	+14.0	£537.5
Gold ... Troy oz.	$165.875	+0.5	$166
Lead Cash (w)	£178.5	+7.625	£163
3 months (w)	£186.75	+7.0	£169
Nickel (w)	£1,968	......	£1,968
Free market cif (lb)	$1.75-.85	......	$1.85-.95
Platinum (troy oz.)	£81-85	......	£72-76
Free Market	£81.5	-1.4	£70.1
Quicksilver (76lbs.)	$110-114	-2.0	$110-115
Silver Troy oz.	244.05p	+7.5	210.25p
3 months	251.85p	+7.75	215.85p
Tin Cash (w)	£3,242.5	+67.5	£3,080
3 months (w)	£3,270	+69.5	£3,081
Wolfram 22.04lb. cif	£40.5-42	-0.75	£37-38.5
Zinc Cash (w)	£344.75	+11.75	£322.5
3 months (w)	£355.75	+11.5	£320.25
Producers (w)	£380	......	£360
Oils			
Coconut Malayan			£160*
Groundnut			
[illegible]		......	£357
Linseed Crude (w)	£432	......	£455
Palm Malayan (w)	£215	......	£166
Soyabean (w)			
Seeds			
Copra Philippines	$245r	......	$245
Groundnut Nigerian			
Linseed Can. No. 1	£173		
Grains			
Barley EEC	£59.25	-1.5	£64
Home Futures	£61.05	+2.35	£57.75
Maize			
French No. 3 Am.	£65.75	+1.0	£57
S.A. Yellow			£55
Wheat			
No. 1 Red Spring			
No. 2 Hard Winter			
Australian (f.a.q.)			
English Milling	£63.5r	+1.0	£58.5
Cocoa Shipment (w)	£696	-4.0	£614
Futures Dec.	£580.25	+7.75	£518.5
Coffee Shipment (z)	72		
Futures Nov.	£758.5	-8.0	£460.25
Cotton 'A' Index cent	65.25		64.1
Jute UA BWC (c)	£195		£200
Rubber ... kilo	37.0p	+0.5	34.0p
Sisal EAst	60		$500*
Sugar (raw)	£200	+5	£175
Woolt'ps 64s ... kilo	156p		190p
Cloves Malagasy	£2,550	......	£2,550
Pepper White ... ton	£880	......	£660
Black ... ton	£685	......	£650

* Nominal. † Seller. ‡ Unofficial close. ♣ Indicative price. b U.K. and Commonwealth refined. c Uganda Robusta standard grade indicative prices f.o.b. Mombasa U.S. cents a pound. d Bangladesh white "C". t Unquoted. u Seller's quotation. h August. k Aug.-Sept. n Metric tons. r September. p Aug.-Oct. s July-Aug. t Nov. q May-June. w Nov.-Jan.

FINANCIAL TIMES

Aug. 7	Aug. 6	Month ago	Year ago
183.44	180.01	164.48	210.04

(Base: July 1, 1952=100)

REUTER'S

Aug. 7	Aug. 6	Month ago	Year ago
1158.1	1146.3	1108.6	1276.2

(Base: Sept. 18, 1931=100)

DOW JONES

Dow Jones	Aug. 7	Aug. 6	Month ago	Year ago
Spot	315.60	311.66	290.73	374.61
Futures	303.03	292.72	268.81	343.67

(Average 1924-25-26=100)

MOODY'S

Moody's	Aug. 7	Aug. 6	Month ago	Year ago
Spot Commdty	791.7	782.4	762.9	862.2

(Dec. 31, 1931=100)

GRIMSBY FISH—Supply good and demand good. Prices per stone at ship's side (unprocessed): Shelf cod £1.60-£2.20, codlings £1.30-£1.80; large haddock £2.80, medium £2.40, small haddock £1.80-£2.20; large plaice £3.00, medium plaice £2.80, best small plaice £2.60; skinned dogfish £4.00, medium dogfish £3.40; small rockfish 90p-£1.65, rockfish £1.10-£1.50, lemon soles £3.50, reds 20p-£1.00.

U.S. Markets

Metals and cocoa join grain boom

NEW YORK, August 7.

SILVER and copper closed higher on continued Commission House and chartist buying. Cocoa finished higher in sympathy with grains and metals. Trade buying forced sugar sharply higher. Chicago grain markets closed at or near the limit-up on commercial and chartist buying. Bache reports.

Cocoa—Ghana spot 77 (76 nom.). Bahia spot 62¾ (61½ nom.). Sept. 57.35 (56.35), Dec. 52.70 (52.55), March 50.31, May 49.60, July 49.43, Sept. 49.10, Dec. 46.75. Sales: 1,183.

Coffee—Spot Santos No. 4 unquoted (same). Colombian Mams 101.50 asked (102.50 asked). "C" Contract: Sept. 82.35-83.30 (83.00), Nov. 82.32 nom. (84.00-84.75), Dec. 81.75-81.80, March 81.75, May 82.65, July 82.23-84.00. Estimated sales, 289 lots.

Copper—Aug. 57.70 (56.30), Sept. 58.00 (56.80), Oct. 58.60, Dec. 59.60 settlements. Sales: 1,562 lots.

Cotton—Oct. 50.35-50.45 (50.47), Dec. 50.55-50.60 (50.06), March 51.35, May 51.90-52.00, July 52.35-52.55, Oct. 53.32-53.50, Dec. 53.72-53.75. Sales, 1,950 lots estimated.

‡**Gold**—Aug. 166.10 (163.80), Sept. 167.70 (167.00), Oct. 168.50, Dec. 171.30, Feb. 174.30, April 176.60, June 180.80, Aug. 183.60, Oct. 186.60, Dec. 189.60 settlements. Total sales: 1,068 lots.

Greasewool—Spot 143.5 nom. (142.5 nom.), Oct. 145.0-145.5 (144.0-146.0), Dec. 148.0-150.3 (144.0-150.0), March 147.0-152.3, May 146.0-151.5, July 146.0-151.5, Oct. 146.0 bid, Dec. 146.0 bid.

†**Lard**—Chicago loose 33 nom. (same). NY prime steam 36½ nom. (same).

††**Maize**—Sept. 315¾ bid (303-303½), Dec. 304½ bid (294-294½), March 312½ bid, May 316½ bid, July 317 bid.

‡**Platinum**—Oct. 175.00 (171.00), Jan 179.30 (175.20), April 183.50, July 188.30, Oct. 192.90 bid, Jan. 196.90-197.10. Sales: 482 lots.

‡‡**Silver**—Spot 532.30 (507.30), Aug. 525.00 (515.30), Sept. 528.50 (519.00), Oct. 533.00, Dec. 542.10, Jan. 546.40, March 555.00, May 563.20, July 571.50, Sept. 579.30, Dec. 591.30 settlements. Total sales 7,747 lots.

***Soyabeans**—Aug. 628 bid (605), Sept. 629½ bid (609½), Nov. 635 bid, Jan. 642½ bid, March 651 bid, May 659½, July 662½ bid, Aug. 662 bid.

§**Soyabean Meal**—Aug. 137.00-136.70 (132.50), Sept. 141.30-141.50 (136.60), Oct. 144.10-144.00, Dec. 149.50-150.50, Jan. 152.00, March 155.00-157.50.

Soyabean Oil—Aug. 30.80-30.70 (29.40), Sept. 29.25 bid (28.25), Oct. 28.18 bid, Dec. 27.17 bid, Jan 26.80 bid, March 26.45 bid, May 26.10 bid, July 25.80 bid, Aug. 25.60 bid.

Sugar—Spot 19.00 (18.25). Sept. 18.65-19.00 (18.00-17.85), Oct. 18.30 bid (17.47-17.52), Jan 18.20 nom., March 17.55-17.75, May 17.40-17.39, July 17.15-17.25, Sept. 17.03-17.10, Oct. 17.00. Estimated sales: 5,326.

Tin—322.50-330.00 nom. (332.25).

****Wheat**—Sept. 394½ bid (374-374½), Dec. 409 bid (388-390), March 420½ bid, May 423½ bid, July 408 bid.

WINNIPEG, August 7. ††**Rye**—Oct. 283 bid (272 bid), Dec. 275½ bid (263½ bid), May 284 bid.

¤**Oats**—Oct. 165½ (158½), Dec. 161½ bid (155 asked), May 158½ bid.

§**Barley**—Oct. 259½ (250½ bid), Dec. 254½ bid (246½ bid), May 246 bid.

d**Flaxseed**—Oct. 845 bid (815), Nov. 828 bid (799 bid), Dec. 815 bid, May 797 bid.

Wheat—SCWRS 13.5 per cent. protein content St. Lawrence 535 (532½).

All cents per pound ex-warehouse unless otherwise stated. *Cents per 60-lb bushel ex-warehouse. ‡$'s per troy ounce—100-ounce lots. † Chicago loose $'s per 100 lbs—Dept. of Ag. prices previous day. Prime steam f.o.b. NY bulk tank cars. ‡‡Cents per troy ounce ex-warehouse. § New "B" contract in $'s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Decatur and Illinois. ‡$'s per troy ounce for 50-ounce units of 99.8 per cent purity delivered NY. **Cents per 60-lb bushel in store. ††Cents per 56-lb bushel ex-warehouse. 5,000 bushel lots. ¤ Cents per 24-lb bushel. § Cents per 48-lb bushel ex-warehouse. 5,000 bushel lots. d Cents per 56-lb bushel, ex-warehouse, 1,000-bushel lots.

STOCK EXCHANGE REPORT

Gloomy day in markets as sterling weakens further

Share index down 9.5 at 277.7—Gilts record falls to £1¼

Account Dealing Dates
Option

*First Dealings	Declarations	Last Dealings	Account Day
July 28	Aug. 7	Aug. 8	Aug. 19
Aug. 11	Aug. 20	Aug. 21	Sep. 2
Aug. 22	Sep. 4	Sep. 5	Sep. 16

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Gilt-edged and equities suffered a sharp setback yesterday. Talk of an increase in Minimum Lending Rate to-day following a fresh reaction in sterling against the U.S. dollar saw a continuation of the previous day's late weakness in gilts. Sellers persisted throughout the day and resulted in falls extending to 1¼ which left the Government Securities index down 0.74 at 59.53, its lowest since July 7.

Leading equities followed in the wake of gilts, with sentiment here being further disturbed by the grim economic outlook portrayed by the Confederation of British Industry's quarterly Industrial Trends Survey. Closing falls ranged between 4 and 8 and the FT 30-share index gave up 9.5 to 277.7, its lowest since March 25 and a loss of 46.7 since the anti-inflation White Paper of July 11. Selling was not particularly sizeable.

Secondary issues took their cue from the leaders, overall dullness being reflected in a 3-2 majority of falls over rises in FT-quoted Industrials and a reaction of 1.7 per cent. to 122.73 in the FT-Actuaries All-Share Index. There was a further small improvement in activity and for the first time this week official bargains (4,099) were above the 4,000 mark.

Gilts weak

The course of sterling continued to dominate sentiment in Gilt-edged yesterday, giving rise to talk of an increase in Minimum Lending Rate. For much of the day, this was considered unlikely but "after-hours" fears appeared to be growing that the rate would go higher to-day, perhaps by another one per cent. All maturities suffered the effects of persistent rather than aggressive selling and closed at the day's lowest, with falls ranging to 1¼ at the longer end and of nearly a point among the shorts. The CBI gloomy survey of industrial trends was of relatively minor importance and to-day's debut of the new long "tap," Treasury 12¾ per cent., 1992, was hardly mentioned.

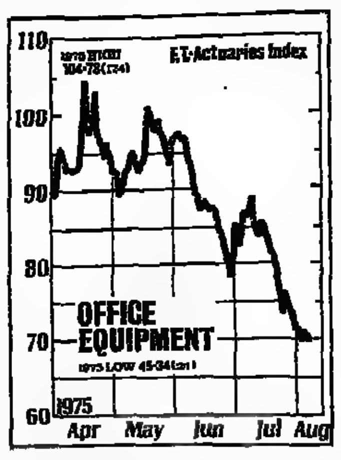
Reflecting the fresh weakness in sterling, the investment currency premium made further headway in continuing sensitive trading conditions to 92¼ per cent. before a close of 91¾ per cent., up 1¼ on the day. Yesterday's S.E. conversion factor was 0.6419 (0.6409).

Banks drift down

The firmer trend which has prevailed since Tuesday's round of base lending rate increases was reversed yesterday in the big four banks. Small offerings in a market lacking support led to easier conditions and by the close Midland were 8 lower at 220p. National Westminster eased 5 to 185p as did Barclays to 235p, while Lloyds gave up 3 to 182p. Bank of Scotland with interim figures due next month, lost 5 to 215p.

Composite Insurances drifted lower on small selling and lack of support. Commercial Union eased 2 to 142p ahead of next Monday's half-year figures, while "Royals" (interim due August 19) cheapened 4 to 282p. Losses of 6 and 8 respectively were recorded in Phoenix, 190p, and Sun Alliance, 362p.

Breweries succumbed to the dull market trend. A firm market last week on speculative buying, Arthur Guinness took a turn for the worse, falling 6 to 104p following adverse Press comment. Allied cheapened 2½ to 53p and Whitbread "A" relinquished 3 to 49½p. Elsewhere, Distillers lacked support and receded 3 to 104p. George Sandeman, on the other hand, improved 5 to 45p on small speculative demand in a restricted market.



Buildings displayed no set trend after a small business. AP Cement, 128p, and London Brick, 42p, both edged forward a penny, while the appearance of a buyer in a narrow market took Stoneware 3 higher to 180p. Johnson-Richards Tiles, however, were sold down to 88p, for a loss of 6 on the day and Taylor Woodrow finished 5 lower at 228p. Carron lost 4 to 41p on the poor results.

ICI mirrored the dull market trend, falling 5 to 243p, after 242p. Fisons declined 5 to 330p, and Catalin gave up 2 to 36p, the latter following the lower half-year earnings.

Store leaders sold

Store leaders came off offer and prices ended at the day's worst. British Home Stores recorded a loss of 8 at 281p, while Marks and Spencer, 89p, and Debenhams, 63p, both reacted 4. Declines of 3 occurred in Gussies "A," 145p, and UDS, 74p, while F. W. Woolworth eased 2 to 42p. Secondary issues displayed minor losses. Steinberg, still on the profits contraction, shed another penny to 13p. The rise in first-half profits imparted firmness to Ladies Pride, which gained 2 at 32p. Mail Orders put up a dull performance, with Empire Stores, 57p, and new nil-paid, 32p premium, reacting 4 and 3 respectively after the recent rise on investment support.

Electrical leaders gave ground on small selling to finish with losses ranging to 6 as in GEC, 112p. Thorn Electrical, 147p, and EMI, 160p, both gave up 5, while Plessey declined 4 to 63p and Philip's Lamp 10 to 720p. Scattered declines were seen in secondary issues, where Racal Electronics, 294p, relinquished the previous day's improvement of 6. BSR cheapened 3 to 58p. Broxlea Holdings, however, held their ground at 27p despite the sharp contraction in profits.

Leading Engineerings wilted and closed with losses extending to about 8 as in Tube Investments, 218p, and GKN, 195p. Hawker were not immune, giving up 6 at 248p, while Vickers shed 4 to 115p. Also around 4 cheaper were APV, 168p, Young Austen and Young, 45p, and Martonair, 131p. Good results and the proposed scrip issue failed to sustain Wagon Industrial, finally 1 off at 93p, after 96p, and Glynwed eased 1½ to 64½p after Wednesday's firmness. Poor interim results lowered Ratcliffs (Great Bridge) 3 to 24p. Of the few upward movements, smaller-priced issues Trianco, 4p, and Whitehouse, 10p, rose about 2 apiece. Elsewhere, Babcock and Wilcox slipped 4 to 85p.

Cavenham suffered a fresh bout of selling and both the Ordinary and Warrants fell 6 to 114p and 49p respectively. Other Foods also lost ground, with Spillers the turn lower at 33p and Tate and Lyle 2 easier at 174p. Doubts over the long-heralded fresh bid for FMC took the price down 3 to 60p. Tesco were offered fairly sizeable and fell 2½ to 38½p, but elsewhere in Supermarkets, Wheatsheaf rose 2 more to 116p on the success of the recent "rights" issue.

The Hotel leaders were generally reactionary, being upset by the first-half loss of Trust Houses Forte which, although comforted to some extent by maintenance of the interim dividend, gave up 3 to 89p, after 88p. Grand Metropolitan closed 3½ lower at 55p.

Beecham depressed

Beecham were at the forefront of a general retreat in the miscellaneous Industrial leaders, being particularly depressed by a large seller and closing 11 down at 259p. Falls of around 6 were registered in Boots, 95p, Bowater, 134p, Reed International, 184p, Glaxo, 328p, and Pilkington, 198p. "Suits," after recent firmness, came back 5 to 85p awaiting the annual results, expected next Tuesday. Unilever, with interim figures due next Wednesday, shed 4 to 320p. Elsewhere, Hoover "A" closed 2 firmer at 234p, after 238p, on the greater-than-expected advance in half-time profits. The chairman's encouraging statement at the AGM lifted George Ewer 1½ to 19p, while Renwick Group provided another firm spot at 23p, up 3. Adverse Press comment on the bid situation left Central Manufacturing 3 down at 64½p, after 63p. Silkolene Lubricants came back 6 to 64p on a reported bid denial after Wednesday's speculative gain of 4. Royal Worcester, 85p, and new, 6p premium, shed 4 apiece.

Hutchison International closed 2½ up at 29p, after 30½p on the conditional offer from Hongkong and Shanghai Banking (7 better at 212p) to subscribe in cash at par for 150m. new Hutchison shares of one HK$1 thus eradicating the need for Hutchison's delayed "rights" offer. The news helped sentiment in other Hong Kong stocks, where Jardine Matheson moved up 11 more to 328p.

Dull Motors had Rolls-Royce 2 easier at 50p, and Dunlop 3 lower at 40p, while Lucas Industries ended 2 down at 98p. Garages eased under the lead of Lex, ½ off at 11½p.

A drifting tendency in Newspapers brought final losses ranging to 4 in both Thomson, 150p, and United, 198p. Similar conditions in Paper/Printings left Jefferson Smurfit 2 easier at 82p and DRG a shade lower at 89p. Elsewhere, the increased dividend and profits saw Melody Mills harden 1 to 34p, but improved interim figures made no impression on East Lancashire Paper, unaltered at 31p.

A reasonably active two-way trade, but with sellers holding the upper hand, left leading Properties closing with modest losses. Land Securities, 136p, lost the previous day's Press-inspired gain of 3, while English Property, 44p, and MEPC, 75p, softened 2 apiece. British Land, however, after showing a fractional loss at the House close, hardened late to finish unaltered on balance at 16½p on news of the successful letting of its major office building in Paris. Elsewhere, Trafalgar House were a weak feature at 73p, down 7, reflecting some large selling orders. Nolton Estates closed 2 better at 53½p; the price and movement in yesterday's issue were incorrect.

Shell actively firmer

The Royal Dutch/Shell second-quarter figures were warmly greeted and, in a turnover noticeably larger than of late, Shell rose 7 to 295p, after 296p, while Royal Dutch gained ⅝ to £25¾; the latter was also helped by premium influences. Only a little of the enthusiasm found its way to British Petroleum which, after reaching 480p, slipped back to close a net 2 higher at 475p. Ultramar, too, lost firmness, falling from 178p to end 2 down on balance at 172p, while Tricentrol gave up 4 at 38p. Apart from Woodside-Burmah, 3 dearer at 75p, overseas issues were little changed.

Overseas Traders traded lower. Anglo-Thai, with annual results due September 3, declined 4 to 98p. Similar losses occurred in S. Hoffnung, 90p, and Lonrho, 112p, while Inchcape receded 8 to 360p and Harrisons and Crosfield 12 to 850p. South African Distilleries and Wines relinquished 10 to 380p, but Sena Sugar firmed a penny more to 13p.

In dull Trusts and Financials, losses of 5 and 8 respectively were seen in United British Securities, 161p, and Continental Union, 68p, while Rothschild eased 4 to 333p. Despite the sharply higher half-year profits, Lubok Investments ran back a penny to 33p and the 12 per cent. Convertible gave up 2 points to £146. Lampa Securities moved against the trend, hardening 1 to 47p ahead of to-day's preliminary results.

Small selling in a market almost devoid of support made for a dull and uninteresting day in Shippings. A fresh bout of profit-taking took Furness Withy down 4 more to 226p and P & O Deferred eased 2 to 81p. In front of to-day's half-year figures, John I. Jacobs eased a shade to 13½p.

Despite favourable Press comment, Courtaulds cheapened 4 to 109p on small selling and lack of support in dull Textiles. The dividend cut and sharp contraction in profits depressed Stroud Riley, which fell a similar amount to 18p.

Still upset by news of the Government's intention to take stronger action to minimise the risks to health from cigarette smoking, Bats came under further pressure yesterday and receded 7 more to 268p, for a two-day decline of 12. Imps gave up 1½ to 61½p.

South African Industrials were featured by Primrose Industrial, which gained 28 to a 1975 peak of 210p. Abercom improved 10 to 312p, but Tiger Oats lost that amount to 660p.

Rubbers had contrasting features in Kulim, which rose 2½ to 26p, after 27½p, following small buying in a thin market, and Guthrie, 5 easier at 143p in sympathy with the trend of industrial market leaders. In irregular Teas, Assam Investments were marked up 2 to a 1975 high of 46p on the results, while Longbourne rose 3 to 65p. A firm market of late, Clairmace cheapened a penny to 57p as interest waned.

Golds move narrowly

Gold shares opened steadily on a few U.S. buying orders and sentiment was helped by the firmer bullion price of $165.25 at the morning fixing. But business soon petered out and share prices closed with small mixed movements on the day which left the Gold Mines index 0.6 off at 357.5. Bullion closed at $165.37½, up 3 cents.

In Financials Anglo American gained 10 to 465p while Anglo-Vaal responded to news of the latter's new platinum refining process with a rise of ¼ to £1 On the other hand, Rand Selection came back 12½ to 925p and in front of the half-year results General Mining eased ½ to £21 New Wits remained at 270p; the company reports an increased final dividend and higher profits.

Platinums were generally firmer, a modest interest from the Cape making its impact in a rather thin market. Bishopsgate rose 4 to 110p and rises of further were seen in Unions and Waterval to the common level of 200p.

Australian energy stocks reflected the firmness of markets Down-Under. Pancontinental jumped to a new high of before closing 13 up at 500p. Peko-Wallsend, another 10 up at 290p, were additionally helped by the resumption of full capacity working at the Mount Morgan copper smelter.

Bougainville eased 2 to 90p on the sharp fall in half-year profits. Zambian Coppers eased following the Nchanga chairman's annual statement, ZCI being 1 off at and Roan Consolidated losing 5 to 280p. "Tanks" came back 7 to 167p. Elsewhere, Berjuntai lost more to 313p while Canadian influences were reflected in a jump of 7 to 82p in Sabina.

FINANCIAL TIMES STOCK INDICES

—	Aug. 7	Aug. 6	Aug. 5	Aug. 4	Aug. 1	July 31	A year ago
Government Secs.	59.53	60.27	60.47	60.70	60.44	60.14	55.87
Fixed Interest	59.92	60.37	60.29	60.38	60.38	60.36	55.02
Industrial Ordinary	277.7	287.2	289.6	282.1	282.8	283.3	237.3
Gold Mines	357.5	358.1	363.5	357.8	359.0	368.3	353.8
Ord. Div. Yld. %	7.39	7.17	7.11	7.27	7.25	7.26	8.41
Earnings Yld. % (full) (a)	21.33	20.68	20.51	20.98	20.91	20.86	22.60
P/E Ratio (net) (a) (b)	6.69	6.90	6.95	6.80	6.82	6.84	6.18
Dealings marked	4,099	3,887	3,559	3,480	3,526	3,718	5,435
Equity turnover £m	—	37.88	40.13	23.47	34.87	48.27	31.03
Equity bargains total	—	9,740	9,023	8,037	8,932	9,303	8,893

10 a.m. 284.0 11 a.m. 282.5 Noon 280.0 1 p.m. 280.2
2 p.m. 279.5 3 p.m. 280.3
Latest Index 01-246 8026.

(a) Based on 52 per cent. corporation tax. (b) Nil=6.83.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec. 1942.

HIGHS AND LOWS

—	1975 High	1975 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	62.34 (20/5)	49.18 (3/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	62.51 (21/5)	50.63 (3/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	365.3 (5/6)	146.0 (6/1)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	442.3 (22/5)	280.2 (20/1)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

—	Aug. 7	Aug. 6
Daily—		
Gilt-Edged	117.8	127.0
Industrials	139.4	127.1
Speculative	35.9	37.5
Totals	93.3	89.5
5-day Av'r'ge		
Gilt-Edged	120.9	119.7
Industrials	121.0	117.7
Speculative	35.4	35.2
Totals	84.4	82.7

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS GROUPS & SUB-SECTIONS Figures in parentheses show number of stocks per section	Thursday, August 7, 1975 Index No.	Day's Change %	Est. Earnings Yield % (Max.) Corp. Tax 52%	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) Corp. Tax 52%	Est. P/E Ratio (nil) Corp. Tax 52%	Wed. August 6 Index No.	Tues. August 5 Index No.	Monday August 4 Index No.	Friday August 1 Index No.	Year ago (approx.) Index No.	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (179)	102.81	−2.1	22.46	7.86	5.62	5.51	105.01	104.54	105.17	103.64	84.15	151.25 (6/6)	51.78 (6/1)	206.57 (4/5/72)	50.70 (13/12/74)
2	Building Materials (30)	88.65	−0.6	19.71	8.89	7.55	7.54	89.22	88.25	88.05	87.96	85.05	117.40 (22/4)	46.11 (6/1)	255.64 (20/7/72)	44.27 (11/12/74)
3	Contracting, Construction (23)	177.17	−2.0	20.40	6.21	7.38	7.38	180.76	180.39	179.91	181.05	153.85	261.61 (23/4)	74.74 (6/1)	389.55 (19/5/72)	71.48 (12/12/74)
4	Electricals (17)	194.75	−3.9	20.98	5.96	7.00	6.99	202.56	201.66	194.25	194.71	161.96	254.64 (6/6)	98.49 (2/1)	350.04 (4/5/72)	84.71 (25/6/62)
5	Engineering (Heavy) (13)	121.34	−1.6	28.05	8.95	5.44	5.44	123.35	125.04	122.42	122.71	96.02	159.79 (22/4)	64.59 (2/1)	209.57 (8/6/73)	64.59 (2/1/75)
6	Engineering (General) (64)	89.76	−2.0	24.27	9.16	5.08	5.08	91.60	91.36	90.42	91.20	70.16	117.40 (6/6)	45.45 (6/1)	169.59 (4/5/72)	45.45 (6/1/75)
7	Machine and Other Tools (9)	37.60	−1.4	20.74	10.96	5.80	5.80	38.15	38.01	38.05	37.88	29.93	48.98 (30/6)	20.11 (2/1)	136.70 (4/7/66)	19.96 (13/12/74)
8	Miscellaneous (23)	92.86	−0.7	26.17	8.54	5.71	5.71	93.54	93.19	94.06	94.70	77.10	121.76 (6/6)	49.65 (6/1)	177.41 (27/4/72)	49.65 (6/1/75)
9	CONSUMER GOODS (DURABLE) (57)	78.80	−2.2	24.93	7.31	5.06	5.05	80.64	80.58	79.35	79.27	69.72	98.16 (6/6)	38.59 (6/1)	237.78 (21/4/72)	38.59 (6/1/75)
10	Electronics, Radio TV etc. (15)	91.51	−2.3	21.53	5.81	6.87	6.86	93.68	93.72	92.15	91.59	80.76	106.34 (6/6)	44.28 (6/1)	257.41 (19/5/72)	42.85 (13/12/74)
11	Household Goods (15)	125.46	—	24.15	8.54	4.29	4.29	125.42	125.28	125.66	125.66	111.22	146.90 (23/4)	64.55 (6/1)	264.29 (4/5/72)	63.92 (17/12/74)
12	Motors and Distributors (27)	41.57	−3.0	26.17	11.22	5.49	5.46	42.86	42.82	41.95	42.27	36.75	50.91 (6/6)	19.91 (6/1)	170.89 (15/1/69)	19.91 (6/1/75)
13	CONSUMER GOODS (NON-DURABLE) (168)	114.65	−2.5	17.51	7.36	8.22	8.18	117.63	117.34	116.74	116.26	91.61	146.46 (6/6)	61.96 (6/1)	226.08 (16/8/72)	61.41 (13/12/74)
14	Breweries (16)	127.75	−2.4	15.59	7.96	8.70	8.70	130.92	130.69	128.62	129.90	103.42	165.65 (6/6)	75.58 (6/1)	261.67 (28/11/72)	69.47 (13/12/74)
15	Wines and Spirits (7)	128.40	−2.4	15.16	7.69	9.95	9.95	131.54	132.09	131.00	130.50	119.66	177.94 (9/7)	80.42 (6/1)	257.40 (15/7/72)	78.88 (13/12/74)
16	Entertainment, Catering (16)	130.52	−2.6	16.98	6.52	8.78	8.75	134.07	134.21	131.98	131.94	92.72	168.44 (27/6)	56.28 (6/1)	329.92 (12/12/72)	54.85 (9/1/75)
17	Food Manufacturing (22)	124.27	−1.4	16.52	5.42	8.32	8.29	126.01	124.89	125.20	124.60	95.99	166.57 (6/6)	62.05 (2/1)	211.68 (1/5/72)	59.77 (11/12/74)
18	Food Retailing (16)	114.75	−1.9	15.75	5.68	10.60	10.60	117.00	116.02	116.46	117.34	80.76	149.17 (4/6)	57.15 (2/1)	235.06 (16/8/72)	54.25 (11/12/74)
19	Newspapers, Publishing (15)	115.58	−1.5	16.17	8.41	8.57	8.57	117.14	115.92	114.99	114.58	110.62	152.14 (6/6)	55.08 (6/1)	260.89 (15/1/72)	55.08 (6/1/75)
20	Packaging and Paper (13)	77.95	−0.8	28.32	9.43	5.18	5.18	78.57	79.13	78.44	78.41	68.64	107.12 (20/5)	43.46 (6/1)	165.69 (25/4/72)	43.46 (6/1/75)
21	Stores (31)	97.38	−3.4	14.02	5.72	10.26	10.26	100.86	101.21	99.01	98.76	76.60	132.94 (20/6)	52.63 (6/1)	204.39 (16/8/72)	52.63 (6/1/75)
22	Textiles (23)	118.00	−2.4	29.27	8.05	4.07	3.97	120.86	119.66	117.61	116.62	106.08	145.07 (27/6)	62.91 (6/1)	253.72 (17/9/68)	52.66 (11/12/74)
23	Tobacco (3)	169.52	−2.9	19.67	7.05	7.73	7.73	174.54	174.49	170.41	175.07	128.57	199.16 (10/3)	109.92 (6/1)	359.16 (2/8/72)	94.34 (13/6/62)
24	Toys and Games (6)	41.14	—	31.81	8.80	4.52	4.52	41.14	41.56	41.72	41.72	35.76	44.05 (6/6)	20.92 (6/1)	135.72 (15/1/70)	20.92 (6/1/75)
	OTHER GROUPS (92)															
25	Chemicals (24)	152.72	−2.3	22.79	6.00	6.28	6.28	156.39	155.61	154.56	154.84	115.08	189.17 (6/6)	73.14 (6/1)	301.98 (31/1/69)	71.20 (11/12/74)
26	Office Equipment (10)	69.73	−2.6	20.04	7.47	5.92	5.92	71.60	69.78	71.14	71.53	65.27	104.78 (17/4)	46.34 (2/1)	246.06 (1/9/72)	45.34 (2/1/75)
27	Shipping (12)	321.17	−0.8	26.75	7.48	4.88	4.67	323.88	324.76	322.33	323.01	280.44	401.84 (10/3)	194.58 (6/1)	517.00 (2/12/72)	90.80 (29/6/62)
28	Miscellaneous (46)	117.00	−2.4	25.09	8.64	6.35	6.33	119.92	119.54	118.42	117.89	102.60	155.58 (6/6)	60.39 (6/1)	258.83 (2/5/72)	60.39 (6/1/75)
29	INDUSTRIAL GROUP (496)	115.00	−2.5	20.44	7.39	7.07	7.05	118.68	115.50	114.00	114.35	92.76	148.45 (6/6)	59.16 (6/1)	230.17 (1/5/72)	59.01 (13/12/74)
30	OILS (4)	264.64	−1.3	27.81	5.75	3.86	3.80	261.16	258.77	256.08	256.26	173.05	296.47 (4/6)	106.86 (2/1)	451.66 (29/5/69)	87.24 (29/5/62)
31	500 SHARE INDEX	125.55	−1.7	21.64	7.13	6.25	6.10	127.77	127.25	125.81	126.15	99.61	156.14 (6/6)	65.49 (6/1)	227.95 (16/8/72)	64.49 (13/12/74)
32	FINANCIAL GROUP (100)	112.08	−1.6	—	6.39	—	—	113.87	112.79	111.10	111.61	93.31	148.46 (20/5)	56.60 (6/1)	241.41 (11/4/72)	55.88 (13/12/74)
33	Banks (6)	126.49	−2.7	24.47	6.28	6.15	6.15	130.01	128.71	125.53	126.36	113.03	177.11 (6/6)	62.56 (2/1)	288.32 (20/7/72)	62.44 (12/12/74)
34	Discount Houses (9)	156.99	−0.5	—	8.65	—	—	157.45	158.09	159.28	159.68	111.39	169.37 (7/3)	64.13 (6/1)	293.13 (2/5/72)	61.40 (10/12/74)
35	Hire Purchase (5)	86.51	−2.0	28.85	10.46	4.81	4.22	88.30	88.30	88.12	87.66	112.36	134.39 (10/3)	42.81 (6/1)	433.72 (4/5/72)	38.83 (11/12/74)
36	Insurance (Life) (9)	96.39	−1.8	—	7.11	—	—	98.14	96.57	95.25	95.27	72.89	127.97 (23/4)	44.88 (2/1)	194.46 (15/3/72)	44.88 (2/1/75)
37	Insurance (Composite) (7)	94.37	−1.0	—	6.95	—	—	95.90	95.35	93.59	94.31	64.70	123.90 (30/6)	44.47 (2/1)	166.76 (21/4/72)	43.96 (13/12/74)
38	Insurance (Brokers) (8)	181.62	−0.6	11.19	4.69	13.29	13.29	182.91	181.75	180.38	180.84	122.49	211.50 (20/5)	68.96 (7/1)	262.57 (12/12/73)	65.86 (16/12/74)
39	Merchant Banks (19)	75.24	−1.1	—	7.28	—	—	76.11	75.55	75.40	75.60	75.99	94.97 (7/3)	31.21 (7/1)	278.57 (1/6/72)	31.21 (7/1/75)
40	Property (32)	139.47	−1.1	5.26	4.30	27.82	26.79	140.96	138.74	138.66	139.84	152.16	241.22 (22/4)	88.19 (7/1)	367.40 (9/11/73)	56.01 (20/4/65)
41	Miscellaneous (5)	59.23	−2.8	19.10	11.20	7.72	7.63	60.77	61.27	62.97	63.14	66.96	75.78 (25/4)	34.78 (10/1)	303.13 (18/5/72)	33.29 (17/12/74)
42	Investment Trusts (50)	140.77	−1.2	3.55	6.00	28.57	28.55	142.45	141.76	142.59	143.36	113.50	178.53 (6/6)	73.45 (6/1)	245.79 (25/4/72)	71.63 (13/12/74)
43	ALL-SHARE INDEX (650)	122.73	−1.7	—	6.85	—	—	124.82	124.16	122.82	123.23	98.40	164.09 (6/6)	62.16 (6/1)	228.18 (1/5/72)	61.92 (13/12/74)
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (10)	393.73	−0.6	14.41	9.37	10.08	10.01	395.96	398.70	400.98	400.98	324.32	525.43 (23/5)	281.66 (2/1)	585.37 (23/7/73)	84.68 (25/6/65)
45	Teas (10)	102.10	+0.6	35.53	10.13	3.93	3.75	101.46	101.29	100.94	101.01	83.42	104.15 (16/7)	76.76 (10/1)	121.47 (1/6/72)	59.72 (17/10/74)
46	Coppers (3)	364.41	−2.2	53.69	20.72	1.86	1.86	372.65	368.00	359.84	363.00	384.40	487.74 (27/5)	349.52 (22/7)	587.78 (13/7/73)	94.08 (29/4/62)
47	Mining Finance (11)	122.14	−0.7	10.03	4.35	10.95	10.95	122.99	122.24	122.03	121.81	91.11	141.34 (30/6)	80.58 (22/1)	175.90 (28/4/69)	66.31 (30/9/74)
48	Tins (8)	87.38	−0.7	11.67	9.49	11.04	9.48	87.99	87.99	88.61	89.07	69.52	114.49 (3/6)	58.91 (8/1)	125.43 (12/1/73)	64.83 (27/6/71)
49	Overseas Traders (13)	199.21	−2.1	17.43	4.97	7.34	7.34	203.42	200.62	200.71	200.84	—	252.23 (20/5)	97.37 (6/1)	262.23 (20/6/70)	97.37 (6/1/75)

	FIXED INTEREST	Thurs., August 7 Index No.	Thurs., August 7 Yield %	Wed. August 6	Tues. August 5	Monday August 4	Friday August 1	Thurs. July 31	Wed. July 30	Tues. July 29	Year ago (approx.)	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	14.26	13.96	13.95	13.86	13.93	14.02	13.92	13.82	15.25	—	—	—	—
2	20-yr. Govt. Stocks (6)	49.43	13.15	50.29	50.60	50.89	50.51	50.08	50.39	50.86	47.52	53.09 (20/5)	38.27 (3/1)	115.42 (11/8/65)	38.27 (3/1/75)
3	20-yr. Red. Deb. & Loans (15)	47.89	15.40	48.02	47.98	47.98	47.64	47.64	47.83	47.77	44.17	50.68 (21/5)	37.01 (3/1)	113.43 (23/10/63)	37.01 (3/1/75)
4	Investment Trusts Prefs. (15)	46.70	14.81	46.67	46.53	46.53	46.85	46.99	47.13	47.30	41.36	47.30 (29/7)	35.36 (3/1)	114.41 (13/9/63)	34.45 (4/12/74)
5	Coml. and Indl. Prefs. (20)	67.47	13.93	68.08	67.59	67.70	67.71	68.02	67.79	67.67	56.69	68.08 (6/8)	48.35 (3/1)	114.98 (7/10/63)	47.67 (6/1/75)

Section or Group	Base Date	Base Value
Overseas Traders	31/12/74	100.00
Engineering (Heavy)	31/12/71	153.84
Engineering (General)	31/12/71	153.84
Wines and Spirits	16/1/70	144.76
Toys and Games	16/1/70	135.72
Office Equipment	16/1/70	162.74
Industrial Group	31/12/70	128.20
Miscellaneous Financial	31/12/70	128.06
Food Manufacturing	29/12/67	114.13
Food Retailing	29/12/67	114.13
Insurance Brokers	29/12/67	96.67
Mining Finance	29/12/67	100.00
All Other	10/4/62	100.00

‡ Redemption yield. FT-Actuaries Indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By inland post 16p. Commonwealth 18p. Foreign 22p.

CONSTITUENT CHANGE: Doncaster (D.) (Engineering (General)) has been replaced by Allied Retailers (Stores).

NAME CHANGE: London and Northern Securities has changed its name to London and Northern Group.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1975 high	1975 low
ICI	£1	17	243	−5	302	118
Burmah Oil	£1	10	28	—	100	27
Shell Transport	25p	10	295	+7	343	118
Barclays Bank	£1	9	235	−5	325	112
"Bats"	25p	9	268	−7	338	164
BP	£1	9	475	+2	535	190
Courtaulds	25p	9	109	−4	140	53
Charterhall Fin'ce	5p	8	53½	−2½	65	17
GKN	£1	8	195	−7	277	95
Hanson Tst. 'New'	Nil/pd.	8	56*	−1	67*	48*
Land Secs.	50p	8	136	−3	231	78½
Pilkington	£1	8	196	−7	218	94
Central Manuf.	10p	7	64½	−3	70	20
Distillers	50p	7	104	−3	150	63½
GUS 'A'	25p	7	146	−3	226	86

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e).
* Premium.

Option Report—3-month call rates

OPTION DEALING DATES First Dealings	Last Dealings	Last Declaration	For Settlement
July 22	Aug. 4	Oct. 16	Oct. 28
Aug. 5	Aug. 18	Oct. 30	Nov. 11
Aug. 19	Sep. 1	Nov. 11	Nov. 25

"Calls" were transacted in Charterhall, Tube Investments, Metal Box, Premier Consolidated and GEC. No "puts" were reported, but double options were arranged in Charterhall and Whessoe.

Industrials	
A. P. Cement	20
Assoc. Leisure	5
Barclays Bank	55
Beecham	29
Boots Drug	24
Bowaters	20
B.A.T.	55
British Leyland	1¼
British Oxygen	6
Burton 'A'	9
Cadburys	6
Courtaulds	14
Debenhams	11
Distillers	15
Dunlop	6
Eagle Star	16
E.M.I.	20
First National	5
G.R.A. Trust	7
Gen. Accident	16
Gen. Electric	14
Glaxo	40
Grand Met.	9
G.U.S. 'A'	20
Guardian	20
G.K.N.	28
Hawker Sidd.	30
House of Fraser	10
Hudson (Wilms	5
I.C.I.	24
"Imps"	7
I.C.L.	7
Inveresk	10
Legal & General	17
Lloyds Bank	50
"Lofs."	7
"Mams"	[illegible]
Marks & Sp'ncer	13
Midland Bank	32
Nat'l West Bank	30
P & O Dfd.	16
Plessey	10
R.H.M.	7
Rank Org. 'A'	25
Reed Int'l	26
Slater Walker	15
Spillers	7
Tesco	6
Thorn "A"	20
Tube Invest.	30
Unilever	40
Utd. Drapery	12
Vickers	16
Woolworths	6
Property	
Cap. Counties	7
E.P.	11
Int. Europe	7
Land Securities	22
Peachey	7
Town & City	6
Town & Comm.	7
Oils	
Brit. Petroleum	45
Burmah Oil	6
Shell	30
Ultramar	21
Mines	
Anglo Amer.	50
Broken Hill Pty.	75
Charter Cons.	22
Chart'h'll Fin.	6
Cons Gold	28
De Beers Def.	25
F. S. Geduld	350
Great Boulder	12
Hampton Areas	16
Hampton Prop.	4
Kloof	140
Lonrho	13
Loraine	55
Metals Explor.	8
Poseidon	68
Pres. Steyn	370
Rio T. Zinc	20
Welkom	55
West Areas	75
Western M'ng	15
Zambia Copp.	10

NEW HIGHS AND LOWS FOR 1975

The following securities (numbers in parentheses) among those quoted in the Share Information Service yesterday attained new highs and lows for 1975.

NEW HIGHS (8)

BUILDINGS (1)
Anglo Am. Asphalt
ENGINEERING (1)
Mining Supplies
FOODS (1)
Manbre & Garton
INDUSTRIALS (3)
British Syphon
Utd. Industrial
Macarthy's Pharm.
SOUTH AFRICANS (1)
Primrose
TEAS INDIAN & BANGLADESH (1)
Assam Inv.

NEW LOWS (12)

BRITISH FUNDS (2)
Treas. 10½pc '75
Treas. 10½pc '79
BUILDINGS (2)
Baggeridge Brick
Scot. Homes Inv.
ELECTRICALS (1)
Energy Services
ENGINEERING (1)
Auto-Oil
INDUSTRIALS (5)
Crowther (W.)
Sandhurst Mk.
Lawtex
Tilley Lamp
Monument Secs.
PROPERTY (1)
Inv. & Prop. Hldgs.

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	—	50	3
Corpns., Dom. and Foreign Bonds	2	24	48
Industrials	131	439	1,164
Financial and Prop.	[illegible]	179	365
Oils	3	9	18
Plantation	4	12	32
Mines	23	33	55
Recent Issues	4	26	41
Totals	237	772	1,796

Fight for Peak beauty spot

COUNTRYSIDE preservationists and the Peak Park planning Board are to fight a proposal to establish a large mineral waste lagoon in Blakedon Hollow, a beauty spot in north west Derbyshire.

MONEY MARKET

Large shortage

Bank of England Minimum Lending Rate 11 per cent.
(since July 25, 1975)

Day-to-day credit was in fairly short supply in the London money market yesterday and the authorities assisted by buying large amounts of Treasury bills and Corporation bills from the Discount houses. There was a net market take-up of Treasury bills and maturing Local Authority bills and Commercial bills working against the market. These were offset by small bank balances carried over from the previous day, an excess of Government disbursements over revenue transfers to the Exchequer, and a fall in the note circulation.

Discount houses paid around 10-10¼ per cent. for secured call loans at the start, but later in the day rates eased to close in the region of 5-7 per cent. In the inter-bank market rates opened around 10¼-10½ per cent. By the afternoon however, money could be found in most quarters and rates closed in the region of 2-3 per cent.

Short-term interest rates were much firmer with the one-month Sterling certificate yield rising to 10 11/16-10⅝ per cent. from 10 7/16-10⅝ per cent., the two-month to 10⅞-10¾ per cent. from 10⅝-10⅞ per cent., the three-month 11 1/16-10 15/16 per cent. from 10¾-10⅞ per cent., and the one-year 11½-11¼ per cent. against 11⅛-11¼ per cent.

Rates in the table below are nominal in some cases.

Aug 7 1975	Sterling Certificates of deposits	Interbank	Local Authority deposit*	Local Auth. negotiable bonds	Finance house deposit	Company deposits	Discount market deposits	Treasury bills Φ	Bank bills Φ	Fine trade bills Φ
Overnight	—	2-10½	—	—	—	10-10½	5-10¼	—	—	—
2 days notice	—	—	10-10¾	—	—	—	—	—	—	—
† 7 days or 7 days notice	—	10¼-10½	10⅛-10½	—	—	—	9-10¼	—	—	—
One month	10 7/16-10⅝	10½-10⅝	10¼-10½	11-10⅞	10 13/16-11¼	—	10	10¼	10⅝	11¼-11
Two months	10⅞-10¾	10⅝-10⅞	—	11-10½	10¾-11⅛	—	10	10⅜	10 11/16-10⅝	11¼-11
Three months	11 1/16-10 15/16	10¾-11	10½-10¾	11¼-10⅞	11-11⅛	—	10-10⅛	10½	10⅝-10½	11⅛-11⅛
Six months	11¼-11	11-11¼	10¾-11	11¼-10¾	11⅛-11¾	—	—	—	11¼-11	11½
Nine months	11⅜-11¼	11⅛-11⅜	—	11½-11	—	—	—	—	—	—
One year	11½-11¼	11¼-11½	11¾	12-11½	—	—	—	—	—	—
Two years	—	11½-12¼	12⅜-12⅝	—	—	—	—	—	—	—

† Local authority and finance houses seven days' notice: others seven days' fixed. * Long-term local authority mortgage rate nominally three years 13¼-13½ per cent.: four years 13¾-14 per cent.: five years 14-14½ per cent. Φ Bank bill rates in table are buying rate for prime paper: buying rates four-month bank bills 10⅜ per cent.: and four-month trade bills 11¼-11 per cent. Approximate selling rates for one-month bank bills 10⅜ per cent.: two-month 10 7/16-10⅜ per cent.: and three-month 10½ per cent.: Approximate selling rates for one-month Treasury bills 10 per cent.: two-month 10¼ per cent.: three-month 10⅜ per cent.: for one-month trade bills 10 15/16 per cent.: two-month 10¾ per cent.: and three-month 10 9/16 per cent.

Finance House Base Rate (published by the Finance Houses Association): 10 per cent. from August 1. Clearing Bank Deposit Rates for small sums at seven days' notice 6½ per cent. Clearing Banks Base Rates for lending 9½ per cent. Treasury Bills: Average tender rates of discount 10.4273 per cent.

BASE LENDING RATES

AFI International	10 %
Allied Irish Banks Ltd.	10 %
Anglo-Portuguese Bank	10½%
Henry Ansbacher	10½%
Banco de Bilbao	10 %
Banco de Jerez	10½%
Bank of Cyprus	‡10 %
Banque du Rhone S.A.	10½%
Barclays Bank	10 %
Barnett Christie Ltd.	11 %
Bremar Holdings Ltd.	11 %
Brit. Bank of Mid. East	10 %
■ Brown Shipley	10½%
Cayzer, Bowater Co. Ltd.	10½%
Cedar Holdings	10 %
■ Charterhouse Japhet	10 %
C. E. Coates	10½%
Consolidated Credits	12 %
Continental Trade Bk.	10 %
Co-operative Bank	*10 %
Copleys Bank	11½%
Corinthian Securities	10 %
Credit Lyonnais	10 %
G. R. Dawes	10½%
Duboff Brothers	11½%
Duncan Lawrie	10½%
English Transcont.	11½%
First London Secs.	10 %
■ Antony Gibbs	10½%
Goode Durrant Trust	10 %
Greyhound Guaranty	10 %
Grindlays Bank	10½%
■ Guinness Mahon	10 %
■ Hambros Bank	10 %
Hawtin & Partners	13 %
■ Hill Samuel	§10 %
C. Hoare & Co.	†10 %
Julian S. Hodge	10½%
Industrial Bank of Scot.	10 %
Jacobs, Kroll	11½%
Keyser Ullmann	10½%
Knowsley & Co. Ltd.	11½%
Lloyds Bank	10 %
London & European	11½%
London Mercantile	11½%
Midland Bank	10 %
■ Samuel Montagu	10 %
■ Morgan Grenfell	10 %
National Westminster	10 %
Northern Comm. Trust	10½%
Norwich General Trust	10½%
Portman Guaranty	11 %
P. S. Refson & Co.	9½%
Rossminster Accept'cs	10 %
Royal Trust of Canada	10½%
Schlesinger Limited	10½%
E. S. Schwab	11½%
Security Trust Co. Ltd.	11½%
Shenley Trust	11½%
Standard & Chartered	10 %
Sterling Credit	12 %
Thames Guaranty	11 %
Trade Development Bk.	10 %
Twentieth Century Bk.	11½%
United Bank of Kuwait	10 %
Wallace Brothers Bank	10½%
Whiteaway Laidlaw	10½%
Williams and Glyn's	10 %
Yorkshire Bank	10 %

■ Members of the Accepting Houses Committee.
* 7-day deposits 6½%, 1-month deposits 6¾%.
† 7-day deposits on sums of £10,000 and under 6½%, up to £25,000 7¼% and over £25,000 7½%.
‡ Deposit Base Rate 9¼%.
§ Demand deposit 7½%.

I.G. INDEX
GOLD 165-168

CORAL INDEX
Close 272-277

INSURANCE BASE RATES

† Atlantic Assurance	11½%
Cannon Assurance	8½%

† Address shown under Insurance and Property Bond table.

هكذا امن لاحل

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AUTHORISED UNIT TRUSTS

Abacus Arbuthnot Ltd.♥ (a)(g)
83 Fountain St., M/C. 061-236 9715/8

Giants	25.7	28.5xd	-0.2	4.09
♦Giants Accum.	29.0	30.7	-0.2	4.09
Growth Units	23.1	24.9xd	-0.1	4.50
♦Growth Accum.	25.4	27.2	-0.1	4.50
Income Units	24.9	27.1xd	-0.2	8.70
♦Income Acc. Uts.	28.9	31.1	-0.2	8.70
♦Nat. & Intl. Acc	17.5	18.5	-0.5	2.20

Abbey Unit Tst. Mgrs. Ltd.♥(a)(g)
72-80, Gatehouse Rd., Aylesbury. 0296 5941

Abbey Capital	17.7	18.8	-0.2	4.94
Abbey Income	20.2	21.5	-0.2	6.66
Abbey Inv. Tst. Fd.	22.6	24.0	-0.1	4.26
Abbey Gen. Tst.	27.6	29.3xd	-0.4	4.79

Allied Hambro Group ♥(a)(g)
Hambro Hse., Hutton, Brentwood, Essex
01-588 2851 or Billericay (02774) 53189

Allied 1st	43.6	46.6	-0.4	5.78
Brit. Ind. 2nd	41.7	44.8	-0.1	6.72
Growth & Inc. Tst.	22.9	24.6xd	-0.2	6.38
Elect. & Ind. Dev.	19.9	21.3	-0.1	6.65
Met. Min. & C'dty	33.5	35.8	-0.1	5.94
Allied Capital Tst.	44.6	47.7	-0.5	6.29
High Income	38.3	41.0	-0.3	7.33
Equity Income	22.5	24.1xd	-0.2	8.20
International	20.9	22.4	-0.1	2.32
High Yield Fund	32.2	34.6xd	-0.1	11.84
H. Fund	56.4	60.5	-0.7	6.36
H. Income Fund	30.4	32.5xd	-1.4	8.61
H. Recovery	66.3	70.9	-0.6	4.21
H. Smaller Co's	13.5	14.5xd	-0.2	4.73
2nd Smaller Co's	18.1	19.4	-0.2	4.59
H. Accum. Fund	17.6	18.8	-0.2	4.59
Secs. of America	39.6	42.4	.....	3.19
H. Exempt Aug. 1	118.9	118.5	.....	6.32

Archway Unit Tst. Mgs. Ltd.♥ (a)(c)
34, St. Mary Axe, E.C.3. 01-283 4161

Archway Cap. Fund	82.4	87.7	.....	4.21
Archway Inc. Fd.	117.5	124.8	.....	6.99

*Prices at July 18. Next sub. day Aug. 20.

Brown Shipley & Co. Ltd.♥ (x)(c)
Brown Shipley & Co. Ltd. (x) (c)

Brown Shipley	133.8	138.8	.....	7.10
Accum. Units	154.9	159.9	.....	7.10

*Prices on Aug. 5. Next sub. day Aug. 12.

Canada Life Unit Tst. Mngrs. Ltd.♥
2-6 High St., Potters Bar, Herts. P. Bar 51122.

Can. Life Gen. Dist.	23.5	24.5xd	-0.2	5.94
Do. Gen. Accum.	26.2	27.6	-0.3	5.94
Do. Inc. Dist.	22.5	23.7	-0.2	9.05
Do. Inc. Accum.	25.1	26.4	-0.2	9.05

Capel (James) Mngt. Ltd.♥
100, Old Broad St., EC2N 1BQ. 01-588 6010.

Capital	48.5	50.9	.....	4.75
Income	48.5	50.9	.....	8.00

Carliol Unit Fd. Mgrs. Ltd.♥ (a)(c)
Milburn Hse., Newcastle-upon-Tyne 21165

Carliol	51.7	54.2	.....	3.91
Do. Accum. Units	56.7	59.2	.....	3.91
Do. High Yield	23.4	25.4	.....	10.60

Next dealing day August 13.

Charterhouse Japhet♥
1, Paternoster Row, EC4. 01-248 3999

C.J. Internat'l	18.6	19.8	.....	2.44
Accum. Units	20.4	21.8	.....	2.44
C.J. Income	25.0	26.6	.....	9.36
C.J. Euro. Fin.	25.0	26.6	+0.6	2.42
Accum. Units	26.6	28.4	+0.2	2.42
C.J. Fd. Inv. Tst.	20.6	22.0	.....	3.97
Accum. Units	22.0	23.4	.....	3.97

Prices on July 30. Next dealing Aug. 6

Confederation Funds Mgt. Ltd.♥ (a)
120 Regent St., W1R 8AY. 01-437 9040

Growth Fund	20.5	21.6	.....	6.37

Cosmopolitan Fund Managers.
37/37 Gresham St., EC2V 7EP. 01-600 4747/8.

Cosmopoln. Gth. Fd.	14.7	15.9	.....	4.57

Coyne Investment Mgmt. Ltd.
72-80, Gatehouse Rd., Aylesbury. 0296 5941

Coyne Growth	19.4	20.4	-0.1	6.17

Gibbs (Antony) Unit Tst. Mgs. Ltd.
23, Blomfield St., EC2M 7NL. 01-588 4111

(a)A. Gibbs Inc.	21.2	22.8	.....	12.50
(a)A. Gibbs Gth.	20.1	21.6	.....	6.90

Dealing day *Tues. ††Wed.

Govett (John)♥
77, London Wall, E.C.2. 01-588 5620

Stockhldr. Aug. 1	96.9	101.4xd	.....	3.88
Do. Accum. Unit	112.1	117.7	.....	3.88

Next dealing day August 15.

Guardian Royal Ex. Unit Mgrs. Ltd.
Royal Exchange, EC3P 3DN. 01-628 8011

(ag) Guardhill Tst.	55.1	57.8	-0.7	5.89

(c)Prudl. Unit Tst. Mngrs.♥(a)(b)
Holborn Bars, EC1N 2NH. 01-405 9222

Prudential	70.5	75.0	-1.0	5.63

Quilter Management Co. Ltd.♥
The Stk. Exchange, EC2N 1HP. 01-600 4177

Quadrant	78.6	83.6	.....	5.55

Reliance Unit Mgrs. Ltd.♥
Reliance Hse., Tunbridg. Wells, Kt. 0892 22271

Opportunity Fd.	34.1	36.1	.....	4.99

Remigium Management Ltd.♥
City-Gate Hs., Finsbury Sq., EC2. 01-606 1066

Rowan Secs. Fd.	93.0	95.5	.....	4.11

Next sub. day Aug. 12.

Sebag Unit Tst. Managers Ltd.♥ (a)
PO Box 511, Bcklbry. Hse., E.C.4. 01-236 5000

Sebag Capital Fd.	20.7	21.7	-0.2	3.72
Sebag Income Fd.	20.3	21.3	-0.2	10.33

Target Tst. Mgrs. (Scotland) (a)(b)
19, Athol Crescent, Edin. 3. 031-229 8621/2

Target Eagle	20.3	21.7	.....	3.40
Target Thistle	25.0	26.7	-0.1	7.43
Tgt. Clymr. Aug. 6	38.6	40.8	.....	3.85

Trades Union Unit Tst. Managers ♥
100, Wood Street, E.C.2. 01-628 8011

TUUT Aug. 1	33.1	35.3	.....	5.91

The British Life Office Ltd.♥ (a)
Reliance Hse., Tunbridge Wells, Kt. 0892 22271

BL British Life	34.8	35.4	-0.3	6.21
BL Balanced*	25.9	27.4	.....	6.98
BL Capital*	25.4	27.9	.....	4.86
BL Dividend*	24.1	25.5	.....	9.56

*Prices on Aug. 6. Next dealing Aug. 12.

G. & A. Un. Tst. Mgrs. Ltd.(a)(g)
5, Rayleigh Rd., Brentwood. (0277) 227300.

G. & A.	19.8	21.2	-0.3	6.17

Gartmore Fund Managers♥
2, St. Mary Axe, EC3A 8BP. 01-283 3531

British Trust	29.7	30.9xd	-0.3	4.61
High Income Tst.	26.5	28.5xd	.....	13.02
(z)Overseas Tst.	22.6	24.4	.....	1.74

REGIONAL MARKETS

Following the merger last year of U.K. stock exchanges, a selection of the share prices previously shown under regional headings is presented below with quotations on London. Irish issues, most of which are not officially listed in London, are shown separately and with prices as on the Irish exchange.

Albany Inv. 20p	14	.....	Craig Ship. £1	400	.....	Shiloh Spinn.	23	.....
Ash Spinning	36	.....	Hallam Sleigh 10p	6½	.....	Sindall (Wm.)	46	-2
Bertam	18	.....	Higsons Brew.	63	.....			
Brady (G.) 'A'	44	.....	I.O.M. Stm. £1	120	.....	**IRISH**		
Bnr'stn. Est. 50p	105	-1	Holt (Jos.) 25p	185	.....			
Clover Croft	35	.....	Kleen-e-Ze	23	.....	Alliance Gas (£1)	45	.....
Craig & Rose £1	310	.....	Lovell's Ship £1	120	.....	Carroll (P. J.)	108	.....
Dyson (R.A.)	30	.....	N'thn. Goldsmith	58	+4	Clondalkin	52	.....
Ellis & McHdy.	58	.....	P.M.A.	33	-3	Concrete Prods.	60	.....
Evans Fr'k. 10p.	36	.....	Pearce (C. H.)	60	.....	Goodbody (£1)	32	.....
Evered	10	-2	Peel Mills	16	.....	Heiton (Hldgs.)	38	.....
Fife Forge	47	.....	Richards 10p	8	.....	Irish Distillers	60	.....
Finlay Pkg. 5p.	16	.....	RobbCaledon 5p.	26	-2	Irish Wire	40	.....
Frost & Reed 50p.	85	.....	Sayers 12½p	6	.....	Jacob	45	.....
Gardiner & Sons	11	.....	Sheffield Brick	57	-3	Sunbeam	8	.....
Gardner (L.)	62	.....	Shell. Refrshmt.	141	.....	Unidare	65	.....

FOOD PRICE MOVEMENTS

	Aug. 7 £	Week ago £	Month ago £
BACON			
Danish A.1 per ton†	845	845	820
British A.1 per ton†	840	840	815
Irish Special per ton†	840	840	815
Polish A.1 per ton†	—	—	—
Ulster A.1 per ton§	840	840	815
BUTTER (packet)			
NZ per 20 lbs†	7.09- 7.15	7.09- 7.15	7.09- 7.15
English per cwt†	42.77-42.92	41.14-41.16	41.14-41.16
Danish salted per cwt†	43.30-43.51	43.30-43.51	42.10-42.30
CHEESE¶			
English cheddar white rindless 40-lb per cwt	—	—	—
NZ per 20 kilos	15.61	15.61	15.61
EGGS*			
Home-prod. Standard	2.10- 2.30	2.45- 2.60	1.55- 1.70
Large	2.70- 2.90	2.90- 3.10	2.50- 2.65

	Aug. 7 per pound p p	Week ago per pound p p	Month ago per pound p p
BEEF			
Scotch killed sides ex KKCF	26.0—32.0	27.0—32.0	30.0—34.0
Eire forequarters	17.0—18.0	16.0—18.0	16.0—18.0
Argentine chilled rumps	—	—	—
LAMB			
English	26.0—28.0	29.0—32.0	26.0—30.0
NZ 2s-Ds	28.0—29.0	28.0—29.0	30.0—30.5
PORK (all weights)	22.5—32.0	24.0—32.0	25.0—32.0
MUTTON			
English ewes	12.0—13.6	12.0—13.0	12.0—13.0
POULTRY			
Broiler chickens	24.0—27.5	25.0—27.0	25.0—27.0

* London Egg Exchange price per 120 eggs. † Delivered. § London and National Provision Exchange price. ¶ For delivery August 9-16. ** FMC prices.

INSURANCE, PROPERTY, BONDS

OFFSHORE AND OVERSEAS FUNDS

S. G. Warburg & Co. Ltd.
30, Gresham Street, EC2. 01-600 4555

CMT Ltd. July 31	£10.47	10.76	.....	—
Conv. Bond Aug. 6	US$8.15		-0.06	—
Energy Int. Aug. 6	US$12.18		.....	—
Grsh. St. $Fd. Jly 31	US$6.83		.....	—
TMT Ltd. July 10	£11.76	12.05	.....	—

World Wide Growth Management♦
10a, Boulevard Royal, Luxembourg.

World Wide Gth. Fd.	US$11.53	-0.07	—

NOTES

Prices do not include $ premium, where applicable, and are in pence unless otherwise indicated. Yields allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of U.K. taxes. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ♦. ¶ Guernsey yield. ‡ Suspended. ⁑ Single premium insurance bonds.

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

1975 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
"Shorts" (Lives up to Five Years)						
99⅝	94⅞	Exch. 8½pc 1976‡‡	98⅞xd	–⅛	6.62	9.59
97¾	92⅞	Treasury 6½pc 1976‡‡	96⅝xd	–⅛	6.73	10.12
99	97	Victory 4pc 1976‡‡	99xd		4.08	—
102	96⅞	Treasury 10½pc 1976‡‡	99⅛	–¼	10.57	10.99
95	94⅜	Treasury 6¾pc 1977‡‡	94⅝xd	–¼	6.61	10.07
94⅛	86¾	Electric 3pc '74-77	92	–½	3.26	8.42
103⅛	96⅞	Treasury 11½pc '77‡‡	99⅞	–½	11.51	11.58
88⅛	84	Treasury 3pc '77‡‡	87⅞	–⅛	3.41	9.04
90⅛	84⅞	Transport 4pc '72-77	88⅞	–⅛	4.52	9.52
96⅛	90½	Treasury 9pc 1978‡‡	93⅛	–¾	9.67	12.15
100⅛	96⅛	Treasury 10½pc '78‡‡	96⅛	–⅛	10.93	12.15
87¼	79	Exchequer 5pc '76-78‡‡	85⅛	–¼	5.86	10.58
103	94⅞	Treasury 11½pc '79‡‡	98⅛xd	–⅛	11.72	12.19
79⅜	71⅞	Treasury 3pc '79‡‡	78	–⅛	3.85	9.60
81	73⅞	Electric 4½pc '74-79	79½	–⅛	5.35	10.47
100⅛	95⅛	Treasury 10½pc '79‡‡	95⅛	–⅞	11.04	11.99
79¾	71	Electric 3½pc '76-79	78½	–⅛	4.46	9.84
95	84	Treasury 9pc 1980‡‡	90⅛xd	–⅝	9.99	11.88
95⅛	91	Treasury 9½pc '80‡‡	91	–¾	10.44	12.04
79	68¼	Treasury 3½pc '77-80	75½	–½	4.63	9.98
84½	71	Funding 5¼pc '78-80‡‡	80½	–¼	6.52	10.46
Five to Fifteen Years						
75½	66⅛	Treasury 3½pc '79-81	73⅛	–⅜	4.78	9.91
91⅛	72⅝	Do 8½pc '80-82‡‡	84½	–⅞	10.13	12.15
104⅜	86⅝	Treasury 12pc 1983‡‡	101½	–⅞	12.40	12.71
78	58	Funding 5½pc '82-84‡‡	73	–⅞	7.57	10.45
85¼	61⅞	Treasury 8½pc '84-86‡‡	80⅜	–⅞	10.66	11.85
73¼	51⅞	Funding 6½pc '85-87‡‡	69⅝	–⅞	9.58	11.51
76¼	53	Treasury 7¾pc '85-88‡‡	71¼	–⅞	10.92	12.36
47¼	32⅞	Transport 3pc '78-88	45	–¾	6.71	11.20
56⅜	39¾	Treasury 5pc '86-89	54½	–¾	9.45	11.97
Over Fifteen Years						
75½	53¼	Treasury 8¼pc '87-90‡‡	69¾	–1	12.04	13.09
57⅛	41⅞	Funding 5¾pc '87-91‡‡	55	–¾	10.84	12.73
94½	94½	Treas. 12¾pc '92‡‡	94½	.....	13.49	13.59
97½	85¾	Treasury 12½pc '93‡‡	90¼	–1¼	13.98	14.12
55⅛	40½	Funding 6pc 1993‡‡	52⅞	–¾	11.89	13.27
75¾	54½	Treasury 9pc '94‡‡	69⅛	–1⅛	13.42	13.93
34⅞	24¾	Gas 3pc '90/95	33⅛	–½	9.28	12.05
102	75⅛	Treasury 12¾pc '95‡‡	93⅛	–1¼	14.14	14.21
71½	54⅛	Treasury 9pc '92-96‡‡	69⅞	–1	13.58	14.03
33½	26½	Redp. 3pc 1986-96	32⅝	–½	9.50	11.93
95¼	93¼	Treasury 13¼pc '97‡‡	93⅛	–1¼	14.31	14.36
69⅛	53¼	Treasury 8¾pc 1997‡‡	63⅝xd	–1	13.63	14.05
59⅞	40¾	Treasury 6¾pc '95-98‡‡	53	–¾	13.19	13.83
75⅛	54⅛	Treasury 9½pc 1999‡‡	69⅛	–⅞	13.82	14.07
31⅜	22	Funding 3½pc '99-04	29	–½	12.17	13.01
61⅞	47	Treasury 8pc '02-06‡‡	60⅛	–⅛	13.85	13.98
43¼	33	Treasury 5½pc '08-12‡‡	39⅛xd	–¾	13.75	13.89
59⅜	43⅛	Treasury 7¾pc '12-15‡‡	55⅛	–¾	14.03	14.07
Undated						
29¾	22⅛	Consols 4pc	27⅜xd	–⅛	14.52	—
27¾	20½	War Loan 3½pc‡	25⅜	–⅛	14.08	—
27½	22⅞	Conv 3½pc '61 Aft.	26⅛	–⅛	13.85	—
22¼	17½	Treasury 3pc '66 Aft.	21⅞	–¼	14.59	—
18⅜	14¼	Consols 2½pc	17¼	–⅛	14.27	—
18⅝	14¼	Treasury 2½pc	17¼	–⅛	14.60	—

**INTERNATIONAL BANK

1975 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
68	58	5pc Stock '77-82	65¼xd	..	7.66	12.56
97⅛	91½	8pc Stock 1976	96½		8.29	11.83

**CORPORATION LOANS

1975 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
87	80¼	Birm'ham 9½pc '79-81	84½xd	–½	10.98	13.08
92½	87	Bristol 6¾pc '75-77	91⅛xd	–⅛	7.08	12.73
89¾	82¾	Essex 5¼pc '76-77	87⅛	–¼	6.29	13.10
96	90	G.L.C. 6¾pc 1976	95xd	–¼	7.11	12.11
91½	85	Do 7¼pc 1977	90		8.05	15.01
99⅜	92½	Do 12½pc '82	95¼	–¼	13.38	13.99
75¼	63	Herts 5½pc '78-80	71¼		7.57	13.58
90¼	83½	Liverpool 7pc '76-77	88¾	–¼	7.90	13.28
89½	71	Do 9¼pc '80-84	85	–¼	11.75	13.68
23½	17¼	Do 3½pc Irred.	22½	–½	15.68	—
86	77¼	Lon. Corp 6¼pc '75-78	85¼	–¼	7.80	13.43
81	66½	Do 9¾pc '84-85	78½	–½	12.29	13.84
87	78⅞	L.C.C. 6pc '76-78	84¾	–⅛	7.03	13.54
72½	59½	Do 5½pc '77-81	69½	–½	8.15	13.51
64	48	Do 5½pc '82-84	59½	–½	9.23	13.49
58½	40½	Do 5½pc '85-87	51½	–½	10.80	14.22
60½	42	Do 6¾pc '88-90	55¼	–1	12.33	14.07
21¾	15¼	Do 3pc '20 Aft.	19½	–¼	15.20	—
88¼	82¼	Midd'x 6¾pc '75-77	86¼	–¼	7.25	13.29
77	64¼	Do 5¼pc 1980	71½	–½	7.34	13.79
89½	76	Newcastle 9¾pc '78-80	88		10.98	13.62
101⅛	98	Warwick 12⅞% 1980	99		12.95	13.41

COMMONWEALTH & AFRICAN LOANS

1975 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
95½	89¼	**Aust 6pc '74-76	95		6.44	12.30
85¼	76¼	**Do. 5½pc '75-78	81⅞	–⅛	6.88	13.48
77¼	66½	**Do 5½pc '77-80	74½		7.43	13.52
69⅛	58⅞	**Do 5½pc '81-82	68		8.32	13.33
60⅞	52¼	**East Afr 5¾pc '77-83	60⅛		9.57	14.53
85⅝	77½	**Jamaica 7pc '76-78	82⅝xd		8.44	14.07
61⅞	52½	**Kenya 5pc '78-82	60½xd		8.25	14.54
79½	71¼	**N.Z. 4pc 1976-78	78		5.17	12.44
78½	68¼	**Do. 6pc '76-80	74¼xd	–¼	7.98	13.48
69¼	54¼	**Do 7¼pc '83-86	65¼		11.60	13.87
75¼	63½	**Sth. Rhd 6pc '78-81	74¼	–¼	8.06	12.63
73¼	62	**Nyasa 6pc '78-81	72¼	–¼	8.29	13.27
95¼	89	**Sth. Afr. 5½pc '74-76	94½	–¼	5.86	12.87
88	78	**Do 9½pc '79-81	86¼	–¼	11.27	13.27
49	33	Sth. Rhod. 2½pc '65-70	37	....	—	—
61	42	Do. 6pc '78-81	49	....	—	—

LOANS (Miscel.)

1975 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
47	36	Agric. Mt 5pc '59-89	44		11.74	14.64
72	55½	Alcan 10½pc '89-94	70½		15.11	15.45
100¼	91¼	**FFI 15pc '81	91¼xd		14.19	15.33
107	97	Do. 14pc 1979	100		14.47	15.05
65½	50¼	ICFC 8½% Ln. '92-97	59		16.11	16.57
95½	85	Do. 9pc 1977	91½		9.93	13.69
100	94	Do. 9½pc 1975	96		9.99	20.90
99½	92	Do. 10pc "C" 1976	96		10.57	15.74
24½	18¼	**Met. Water 3pc 'B'	21½		14.01	14.86
75	54	U.S.M.C. 9pc 1982	72½	–½	12.56	15.84
72½	53	Do. without Wrnts	70		13.02	16.57
84½	76	Ultramar 7pc '78-'78	83½		8.58	14.25

FOREIGN BONDS & RAILS

1975 High	Low	Stock	Price £	+ or –	Div % Gross	Red. Yield
14	5½	Antofagasta Rly	11¼		—	—
28½	19½	Do 5pc Pref.	28½		5	—
99	95	Berlin 4½pc Ass.	95		4½	7.55
96	95	Chilean Mixed	96		3	13.13
195	191	German Yng. 4½pc	195		4½	—
70	55	Greek 7pc Ass.	70		3½	15.06
65	47	6pc '28 Stab. Ass.	65		3	14.66
40	24	4pc Mixed Ass.	40		2	15.02
28	20	Hung. '24 Ass.	25		4½	10.49
55	48	Iceland 6½pc '83-88	50		6½	14.55
75½	60½	Ireland 7½pc '81-83	70½		7½	13.78
71	56	Do 9½pc '91-96	69		9¼	15.40
158	116	Japan 4pc '10 Ass.	130		4	—
63	47	Do 6pc '83-88	57		6	13.96
160	93	Peru Ass. 3pc	160		3	1.90
15½	8	Rumanian 4pc C...	11	+½	—	—
$93	$73½	S.G.I. With/Wrrts.	$75		6½	8.67
105	$93½	Turin 9pc 1991	$93½		9	9.63
90	DM75	Turin 6½pc 1984	DM77		6½	10.84
74	62	Uruguay 3½pc	71		3½	5.95

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

1975 High	Low	Stock	£	+ or –	Div. Gross	Cvr	Y'ld Gr's
36¼	21	ASA	31⅞		80c	—	1.1
49	48	AMF 5% Conv. '87	£49		5%	—	10.2
44	20½	Amax $1	39		$1.75	—	1.9
20⅛	11⅝	Assd. Spring $6⅔	17⅛		$1.40	—	3.6
43⅞	21⅞	Baker Oil Tls. $1	34⅛xd	–⅞	41⅛c	—	0.5
16⅞	715p	Bell & Howell $	13¼	+¼	84c	—	2.8
31½	15½	Bendix Corp $5	28	–⅛	$1.80	—	2.8
31⅝	17⅞	Beth. Steel $8	25⅛	+⅛	$2.00	—	3.5
663p	330p	Brng. Ferr. $0.16⅔	506p	+6	20c	—	1.7
11	825p	Brunswick Corpn. $	873p	–24	40c	—	1.6
84¼	40¼	Burroughs Corp $5	67	+1	60c	—	0.4
41⅞	20¼	CBS $2.50	35	+1	$1.46	—	1.8
36½	22	C.P.C. $½	32⅛	–⅛	$2.14	—	2.9
37⅞	18½	Carborundum $3	23⅛	–⅛	$1.70	—	2.6
10¼	490p	Carrier Crp $2½	717p	+7	52c	—	3.1
54⅝	33⅞	Caterpillar $	49⅛	+⅞	$1.80	—	1.6
18⅞	755p	Champion Intl. Inc.	12⅛	+¼	$1.00	—	3.6
28⅝	19¼	Chase M'htn. $12.5	24⅝xd	+¼	$2.20	—	3.8
53	26⅝	Chesebrough $1	41	–1	$1.36	—	1.4
10⅛	565p	Chrysler $6¼	882p	+3	$1.40	—	
31	19⅞	Citicorp $4	24⅞	+⅞	88c	—	1.5
710p	330p	City Inv. $1.25	551p	+11	66c	—	5.2
15	10	Do Cm. Prf B $1	12½	+⅛	$2	—	6.9
26⅞	14½	Colgate-P. $1	20⅛	+¼	68c	—	1.5
27½	16½	Colt Inds. $1	21⅞	+¼	$2.50	—	4.1
33⅞	19⅛	Cont. Illinois $10	31	+¼	$2.20	—	3.1
53⅞	27½	Cont. Oil $5	47¼	+⅛	$2.00	—	1.8
30¼	17	Crown Zell. $5	27⅛	+⅛	$1.80	—	2.9
20	10⅝	Cummins Eng. $2½	14⅝	–⅛	$1.00	—	3.1
25	12⅞	Cutler-Hammer $5	19	–⅛	$1.60	—	3.2
21½	14¼	Eaton Crp. $0.50	20⅛		$1.80	—	3.8
72	44	Exxon $1	63½	–¼	$5.00	—	3.5
15¼	965p	Firestone Tire $	13⅝	–⅛	$1.10	—	3.5
19¾	11⅝	First Chicago $5	17	+⅛	90c	—	2.3
38	10¼	Fluor Corp. $⅝	26⅛	+¼	40c	—	0.6
31½	22⅞	Ford Motor $2½	28⅛xd	+⅛	$2.40	—	3.6
26⅝	19½	GATX	23⅜	–⅛	$1.60	—	3.4
41½	21⅞	Gen. Elec. $2½	33	–⅛	$1.60	—	0.2
27½	14¼	Gillette $1	19⅞	+⅛	$1.50	—	3.4
31⅛	14	Honeywell $1.50	22	–⅛	$1.40	—	3.8
13⅛	460p	Hutton (E.F.) $1	11⅛	+⅛	52c	—	2.0
176	101½	I.B.M. Corp $5	136¼	+1¼	$7.0	—	2.2
65	42	Ingersoll-R $2	54½	+½	$2.48	—	2.0
915p	425p	Int. Hldes. Cp. $1	855p	+3	$1	—	2.6
28	12⅞	Int. Sys. Cntls. $1	21½		25c	—	0.5
10⅛	630p	I.U. International $	809pxd	–15	85c	—	0.4
25⅝	910p	Kaiser Al. $⅓	22⅛	+½	$1.20	—	2.4
30⅛	17⅞	Manf. Han. US$7.50	25⅛	+⅛	$1.72	—	2.9
67⅞	38⅞	Merck	52	+⅛	$1.40	—	1.2
14⅝	705p	Mer'l. Lynch $1.33⅓	13xd	–⅛	60c	—	2.0
55¼	35½	Morgan (JP) US$2.5	41½	–⅛	$1.80	—	1.9
25½	16¼	Otis Elev. $3⅛	21½	+⅛	$2.20	—	4.5
33	21¼	Owens-Ill. $3.125	31	+⅞	$1.72	—	2.4
190	85p	Penn-Central	138p	+1	—	—	—
15¼	890p	Quaker Oats US$5	12⅛	+⅛	80c	—	2.8
21¼	10	Rep. N.Y. Corp. $5	17		$2.12c	—	0.6
618p	337p	Reliance $0.25	570p	+15	40c	—	—
18	910p	Rexnord $5	16⅛	+¼	$1.52	—	2.1
18½	935p	Richdsn.-Merrl. $1¼	14⅛	–⅛	64c	—	2.0
386p	220p	Saul (B.F.) $10	294p	–17	$1.19	—	—
43⅛	27⅞	Shell Oil $1	38¼	+⅛	$2.60	—	2.9
13⅛	705p	Singer ($10)	928p	–24	40c	—	1.9
37¾	16⅞	Sperry Rand $0.50	30	+⅛	75c	—	1.1
30½	16¼	Squibb $1	21⅞	+⅛	84c	—	2.6
20⅝	950p	TRW Inc. $1¼	16¼	+¼	$1.20	—	1.6
16¼	10⅝	Tesoro Pt. US$0.16⅔	12		40c	—	1.5
21¼	15⅛	Texaco $6.25	18⅛xd		$2	—	4.7
766p	415p	Transamerica $1	643p	+11	59c	—	4.0
51	26¼	U.S. Steel $30	44⅛	+1½	$2.80	—	2.7
14	757p	UOP $1	965p	+3	90c	—	4.1
28¼	15⅞	Vetco Inds. $0.50	26⅛	+¼	—	—	—
13¼	700p	Woolworths $3½	11	+¼	$1.20	—	4.7
67½	36	Xerox Corp. $1	43⅞	–⅛	$1	—	1.0
29	16½	Zapata Corp. 25c	21⅛	+⅛	60c	—	1.2

S.E. List Premium 55⅜% (based on $2.1150 per £)

CANADIANS

1975 High	Low	Stock	£	+ or –	Div. Gross	Cvr	Y'ld Gr's
12¼	870p	Bk. Montreal $2	11⅛	.....	96c	—	3.6
35⅛	24¼	Bk. Nova Scot. $2	32¼	+⅛	$1.60	—	2.2
36⅛	30½	Bell Canada 25c	30⅞	+⅛	$3.44	—	3.3
13⅛	700p	Bow Valley $	11		10c	—	0.2
20⅞	720p	Brascan $	890p	+10	$1.00	—	4.9
19⅛	15⅛	Can. Imp. Bk. $2	17⅛	+⅛	$1.20	—	2.9
12⅞	945p	Can. Pacific $5	10¼		86c	—	3.6
29	22½	Do. 4pc Deb £100	26¼	–¼	4%	—	15.0
24⅞	17¼	Gulf Oil Can. $	21⅛	+⅛	$1.00	—	2.0
500	230p	Hawker Sid. Can. $	480p		36c	—	3.2
28	16⅛	Hollinger $5	21⅛	+⅛	$1.60	—	3.3
14⅞	825p	Hudson's Bay $	12⅞	+⅛	60c	—	2.1
26⅝	12¼	Hud. B Oil G. $2½	21	+⅛	$1.20	—	2.5
22¼	16	Imperial Oil $	18⅞	+¼	80c	—	1.9
750p	464p	Int. Nat. Gas $1	650p		80c	—	5.3
22⅞	14½	Int. Nickel $	18⅛	–⅛	$1.40	—	3.3
13¼	970p	Massey Ferg. $	10⅞	–⅛	$1.00	—	4.0
19¼	980p	Pacific Pet. $1	15⅛	–⅛	80c	—	2.3
655p	540p	Peoples Dept. $	585p		‡20c	—	1.5
251½p	111p	Place Gas $1	231½p		—	—	—
24	13¼	Rio Algom	22½	+⅛	$1.00	—	1.9
26⅛	18	Royal Bk. Can. $2	24¼	+⅛	$1.28	—	2.3
26⅞	20⅞	Seagram Co. C$1	22⅛	–⅛	80c	—	1.5
33⅞	22⅞	Tor. Dom. Bk. $2	30⅞xd	+⅛	$1.40	—	2.0
850p	600p	Tra. Can. Pipe 33⅓c	720p	+20	72c	—	4.4
500p	375p	White Pass	490p		35c	—	3.1

S.E. List Premium 55⅜% (based on $2.1884 per £)

Conversion factor 0.6419 (0.6405)

††BANKS AND HIRE PURCHASE

1975 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's	P/E
22	12	Alderman Sec. 10p	17½	.....	1.34	2.1	11.8	5.6
235	135	Alexanders D. £1	180	.....	g11.66	—	10.0	—
£114	£67	Algemene Fl.100	£99	.....	Qh20%	1.8	3.5	21.5
400	190	Allen Harvey £1	300	.....	13.5	—	6.9	—
142	45	Allied Irish	108	–2	Q25%	—	5.8	—
62	14	Anglo Contnl	53	.....	—	—	—	—
185	95	Arbuthnot L. £1	160	.....	7.61	—	7.6	—
330	170	Aust. & N.Z. £1	347	+5	†9.09	—	4.0	—
£57	£21¼	BankAmer $3.125	£30⅞	+1⅛	Q$1.48	—	2.1	—
40	22½	Bk. Hapoalim I£1	40	.....	Qh9.4%	—	1.7	—
346½	120	Bk. Ireland £1	300	.....	Qh16%	—	5.3	—
£150	£66	Do 10pc Cv. 91/96	£131	.....	Q10%	—	17.9	—
23	18½	Bk. Leumi I£1	22	.....	Q16%	—	5.3	—
230	180	Bk. Leumi (UK) £1	220	.....	7.25	—	5.1	—
720	370	Bk. N.S.W. $A2	565	+5	Q28c	—	2.8	—
295	104	Bank Scotland £1	215	–5	8.31	3.8	5.9	6.8
£71¼	£20⅝	Bankers N.Y. $10	£26¼	–¾	Q$3.00	—	3.8	—
325	112	Barclays £1	235	–5	†8.29	4.7	5.5	5.6
73	19	Bates (Edward)	48	.....	‡5.0	2.1	‡	4.5
68	18	Bowring (C.T.)	50	–1	2.11	1.2	6.5	19.3
175	75	Brown Shipley £1	173	.....	6.94	—	6.2	—
24	14	Burston Group	18#	.....	3.31	2.4	28.3	2.2
265	110	Cater Ryder £1	210	–5	14.40	—	10.6	—
15	13	Cedar Hldgs. 20p	13#	.....	‡1.4	1.5	‡	6.1
235	149	Com'l Aus. ($A1)	215	+5	Q14%	—	3.7	—
£14⅞	£10⅜	Com'zbk DM10	£12¼	+⅛	Q17%	—	2.5	—
£24	£17½	C'hgn. Hbk. Kr100	£22	+½	Q11%	—	4.0	—
19	8	Corinthian 10p	9	.....	—	—	—	—
£31	£10½	Cred. France F75	£25	+½	Q9.7%	—	3.2	—
133	133	Dawes (G. R.)	133#	.....	5.25	2.9	6.1	8.6
26½	9	Dawnay Day	13	.....	‡1.21	1.3	‡	8.4
70	25	F C Finance	30	.....	1.57	—	8.1	—
11	2½	First Nat. 10p	4½	.....	1.05	—	35.9	—
5	½	Do. Wrrts. 75-83	2	.....	—	—	—	—
17½	5½	Fraser Ans. 10p	10	.....	0.76	—	11.7	—
310	175	Gerrard Natnl.	235	.....	12.18	—	8.0	—
51	22	Gibbs (A.)	38	.....	1.65	—	6.7	—
163	62	Gillett Bros. £1	145xd	–3	†6.7	—	7.1	—
29	13½	Goode D'l Mry 5p	16	.....	0.79	4.1	7.6	5.0
78	33	Grindlays	42	.....	1.69	—	4.8	—
160	55	Guinness Peat	131	.....	7.11	—	8.4	—
218	58	Hambros	185	–2	7.1	—	5.9	—
3½	3	Hawtin 10p	3¼#	.....	‡0.67	3.0	‡	1.6
95	23	Hill Samuel	77	–2	3.56	—	7.1	—
£101½	200	Do. Warrants	725	.....	—	—	—	—
250	118	Hong Shng. $2.50	212	+7	‡20.8	—	2.8	—
85	40	Jessel-T'nbee	68	.....	4.0	—	9.0	—
240	78	Joseph (Leo) £1	215	.....	6.42	—	4.6	—
85	32	Keyser Ullmann	50	.....	1.1	—	3.4	—
65	30	King & Shax 20p	48	.....	2.84	—	9.1	—
126	30	Kleinwort B.L.	92	–2	3.19	—	5.5	—
265	94	Lloyds £1	182xd	–3	†6.93	6.0	5.9	4.4
33	18	Manson Fin. 20p	27	.....	3.25	◆	19.6	◆
38	10	Merc. Credit	28½	.....	◆‡1.12	4.2	‡	4.7
£88	£55	Do. 9pc Conv. 1980	£81	.....	Q9%	7.0	11.1	—
130	39	Mercury Secs.	98	.....	2.76	—	4.3	—
305	122	Midland £1	220	–8	†10.76	2.1	7.7	9.6
£89	£46	Do. 7½% 83-93	£69	–½	Q7½%	15.0	11.0	—
£81	£57½	Do. 10¼% 93-98	£74	–¼	Q10¼%	15.0	e14.9	—
45	14½	Minster Assets	37½	.....	2.73	2.3	11.2	6.0
305	80	Nat. Bk. Aust. $A1	223	.....	Q13½%	—	4.1	—
72	25	Nat. Com. Grp.	53	–3	2.01	5.5	5.8	4.8
275	88	Nat. West. £1	185xd	–5	8.28	3.1	6.9	7.1
405	105	Schroders £1	360	.....	8.73	—	3.7	—
282	154	Seccombe M C £1	230	.....	h12.73	—	8.9	—
108	27	Slater Walker	62	–2	5.26	—	13.0	—
58½	25½	Smith St. Aub.	48	.....	h3.63	—	11.6	—
510	210	Stand. & Chart £1	445	.....	13.29	4.0	4.6	7.1
56¼	5¼	Trade Dev. $1.50	56¼	.....	Q44c	—	6.5	—
103	56	Tsl. Bk. Afr 50c	86	.....	◆Q14%	◆	5.3	◆
330	157	Union Disc £1	290xd	.....	†16.08	—	8.5	—
35	11	U.D.T.	17	–1	B1.6	1.5	14.5	3.4
£15¼	£10⅛	Wells Fargo $5	£11¼	+¼	Q96c	—	1.9	—
68	42	Wintrust 20p	57	+1	2.92	◆	7.9	◆
Hire Purchase, etc.								
18	4	Brit. Debt Ser. 10p	10	.....	‡d1.4	—	‡	—
35	10	Cattle's Hdgs. 10p	21	.....	0.84	3.3	6.2	7.6
£94	£54	Cie B'cre Fr.100	£80	+1	tQ12%	—	1.0	—
80	26	Lloyds & Scot. 20p	54	.....	3.01	1.9	8.6	9.2
31	11	Lnd. Scot. Fin. 10p	16	+1	1.7	1.8	16.4	5.2
98	33	Prov. Financial	64	–1	3.97	2.9	9.9	4.0
28	12	Stg. Credit 10p	20	.....	1.59	◆	12.9	◆
46	10	Wagon Finance	20	.....	1.5	1.7	11.5	7.7

BEERS, WINES AND SPIRITS

1975 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's	P/E
73	35½	Allied Brew	55	–2½	†3.0	2.0	8.4	9.1
49	14	Amal. Dist. Pr. 10p	38	.....	1.38	3.4	5.7	7.8
17	9¼	Baird (Hugh) 5p	11	.....	0.55	7.4	7.7	2.7
168	47	Bass Char'gton	76	–3	3.69	2.2	7.5	9.1
114	73	Bell Arthur 50p	94	.....	5.1	3.4	8.3	5.3
103	37	Boddingtons	92	.....	2.65	2.7	4.4	13.0
64	30	Brown (Matthew)	56	.....	2.66	2.4	7.3	8.8
30	17	Buckley's Brew.	29	.....	0.91	4.1	4.9	7.7
60	23	Bulmer H.P.	60xd	.....	2.65	2.4	6.8	9.4
55	23	Burtonwood	57	.....	2.52	3.8	6.8	6.0
124	42	Cameron (J.W.)	120	.....	◆3.29	2.6	4.2	13.8
50	22	City Lon. Def.	39	.....	1.9	1.1	7.5	18.5
60	30	Clark (Mathew)	58	.....	4.02	b2.1	16.3	4.6
150	65½	Distillers 50p	104	–3	5.38	q1.8	8.2	10.3
15	10	Ellis Ric'rnd 5p	12	.....	1.03	1.7	13.3	7.0
146	110	Glenlivet	143	.....	3.47	3.7	3.8	10.9
43	20	Gordon (L.) 10p	23	.....	—	—	—	—
43	24	Gough Bros. 20p	31	.....	2.76	2.0	13.7	5.6
62	25	Greenall Whit.	51xd	–2	2.07	2.5	6.2	9.9
140	80	Greene King	127	.....	4.28	3.0	5.2	9.9
121	58	Guinness	104	–6	5.52	2.3	8.2	7.8
135	73	Highl'd Dist. 20p	82	.....	4.7	2.3	8.8	8.0
30	17	Invergordon	22	.....	1.7	2.4	11.9	5.4
100	75	Macallan Glen.	95	.....	3.51	3.2	5.7	8.5
285	120	Morland £1	265	.....	9.5	1.8	5.5	15.4
75	30	Sandeman	45	+5	2.31	3.9	7.9	3.7
59½	22½	Scott & New 20p	42xd	–½	‡2.52	1.8	9.2	11.3
235	90	Teach'n Dis 50p	193	–2	8.21	2.3	6.6	10.3
67	31	Tomatin	58	.....	h2.29	1.8	6.1	7.0
265	115	Vaux £1	245	.....	12.85	2.1	8.4	8.8
71½	34½	Whitbread 'A'	49½	–3	2.94	1.5	9.1	10.9
132	57	Wolv. Dudley	114	.....	4.37	2.3	5.9	11.1

BUILDING INDUSTRY—Continued

DRAPERY AND STORES—Continued

ENGINEERING—Cont.

ELECTRICAL AND RADIO

CHEMICALS, PLASTICS

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

ENGINEERING, MACHINE TOOLS

FOOD, GROCERIES, ETC.

BUILDING INDUSTRY, TIMBER & ROADS

HOTELS—Continued

1975 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's	P/E
62	30	Isle of Man Assc.	60	.....	Q12½%	3.5	5.4	‡
42	34	I.O.M. Ent. 20p	40	–1	Q5%	2.9	2.5	‡
140	140	Kursaal (M'lt.c25)	140	.....	Q25%	1.3	5.0	19.4
176	56	Ladbroke 10p	132	–3	3.87	4.9	4.5	7.0
64	15	Leisure Gen. 10p	30	.....	1.53	3.4	7.8	4.8
178	52	Lyons (J.) £1 "A"	120	–2	7.57	0.6	9.7	30.9
£64	£57	Do. 7¾pc Cnv 1981	£73	–2	Q7¾%	26.3	19.9	—
7¾	4	Mt. Charlotte 10p	4	.....	0.06	—	2.5	—
65	43	Myddleton 50p	45	.....	3.42	1.0	11.7	13.2
53	53	Norfolk Cap. 5p	53#	.....	0.2	◆	0.6	◆
43	13	North (M. F.) 10p	22	.....	0.67	1.1	4.7	29.6
28	13½	Pontin's 10p	19	–1½	†1.25	2.1	10.1	7.2
49	27	Prince of Wales	38	.....	d2.28	—	9.8	—
12	5½	Queen's Moat 5p	6	.....	d0.53	2.1	13.5	8.4
65	29	Rowton Hotels	50	.....	‡4.69	1.6	15.0	6.3
29	15	Savoy "A" 10p	21	.....	0.50	—	3.7	—
25	9½	Stakis (Reo) 10p	19½	.....	0.77	2.4	6.2	10.2
25	15	Stanneylands 10p	18	.....	1.9	◆	16.2	◆
14½	7½	Swan Ryn 5p	11½	.....	Q4½%	‡1.0	19.3	‡
127	40	Trust H. Forte	89	–3	7.35	1.1	12.9	10.8
95	75	Wheeler's 10p	90	.....	4.33	◆	7.7	◆

INDUSTRIALS (Miscel.)

HOTELS & CATERERS

هكذا من الاصل

هكذا من الاصل

INDUSTRIALS—Continued

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
35	20	Johnson & F.B.12½p	28	......	d1.47	3.1	8.1	(10.7)
46	20	Johnson Clean	29	......	2.18	1.6	11.5	8.1
345	120	Johnson Mtt. £1	235	−4	10.23	4.9	6.7	4.7
42	18	Judge Int.	27	......	1.90	3.6	10.8	4.0
37	14½	Kalamazoo 10p	19½	+½	1.62	2.7	12.8	4.5
37	20	Kelsey Ind. 12½p	34	......	d2.47	4.7	11.2	2.9
20	9	Kennedy Sm. 10p	16	......	1.44	1.8	13.8	10.8
570	325	Kershaw (A.) 5p	400	......	12.01	0.7	3.1	[illegible]
200	66	Kleeman	185	......	3.89	4.1	3.2	11.6
39	15	Kode Int.	32	......	1.23	3.5	5.9	7.3
27½	14	Kwik-Fit (Tyres)	26	......	—	—	—	6.5
59	24	L.C.P. Hldgs.	44	......	2.89	2.5	10.1	6.0
21	11	L.K. Ind. Inv.	19	......	d1.96	1.8	15.9	5.3
30	13½	L.R.C. Int. 10p	22	−½	2.0	ϕ	14.6	ϕ
101	56	Lamson Inds.	58	......	2.74	2.5	7.4	7.7
40	28	Lawtex	28	−1	2.58	4.2	14.2	2.1
138	48	Lead Inds. 50p	91	......	4.69	5.9	7.9	3.3
40	17	Le Bas (Ed.)	32	......	1.36	6.9	6.7	3.4
38	15	Lebolf Pobel 10p	27	......	1.48	4.3	[illegible]	7.4
43	19	Lebus Harris	29	......	2.0	0.2	10.6	—
22	12	Leigh (L.) 5p	22	......	0.73	5.8	5.1	5.2
73	35	Leisure Car. 10p	66	......	4.42	1.7	10.3	8.9
168	59	Lep Group 10p	152	−1	2.36	9.4	2.4	5.3
27	12	Lesney Prods. 5p	19	......	0.78	7.0	6.4	2.9
43	13	Letraset 10p	32	−1	1.28	ϕ	6.2	ϕ

INDUSTRIALS—Continued

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
140	43	Wim'r & New's	118	......	6.57	2.1	8.6	8.4
26	18	Witter (Thomas)	20	......	2.64	1.2	20.3	6.3
105	47	Wolstenholme	77	−1	6.02	3.2	12.0	4.0
15	11	Wood & Sons 5p	12½	......	0.49	3.5	6.3	7.3
13½	7	Wood (Arthur) 5p	10	......	0.67	3.6	10.2	4.2
13	8	Wood (W.) 10p	10	......	‡0.87	—	†	—
99	29	Wood Hall	75	−1	‡4.03	3.9	8.6	4.7
7¼	4	Yatton Furn. 5p	6½	......	ϕ0.34	ϕ	8.0	ϕ
27½	14	Zetters 5p	18	......	0.89	4.5	7.6	4.5

††INSURANCE

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
45	30	Brentnall Bd. 10p	38	......	‡2.92	3.8	7.8	6.8
154	60	Britannic 5p	118	......	7.0	—	9.4	—
970	440	Comb. Ins. Am.$1	760	+15	tQ60c	—	3.4	—
194	72	Comm. Union	142	−2	6.85	—	7.4	—
148	44	Eagle Star	103	−2	4.6	—	6.9	—
186	50	Equity & Law 5p	136	−2	5.1	—	5.8	—
174	67	Gen. Accident	140	−1	5.4	—	5.9	—
224	83	Guardian Royal	172	−3	7.75	—	6.9	—
180	54	Halford Sh'd 10p	175	......	5.44	3.0	4.8	10.9
232	82	Heath (C.E.) 20p	200	......	6.1	3.3	4.7	10.1
182	47	Hogg Robinson	123	+1	4.03	ϕ	5.1	ϕ
138	30	Howden (A.) 10p	120	......	2.17	4.2	2.8	13.2

MINES

CENTRAL RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£14¾	760	Durban Deep R1	£10½	+¼	‡Q110c	ϕ	‡
£14	860	E. Rand Prp. R1	£10	......	‡Q115c	ϕ	‡
105	55	Rand Leases 25c	60	......	—	—	—
£34½	£22	Randf'tn Est. R2	£27¼	+¼	—	—	—
500	260	West Rand R1	305	......	‡Q40c	1.3	‡

EASTERN RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
370	235	Bracken R1	288	−4	†Q51c	1.1	11.1
23	13	Daggafontein 50c	17	......	—	—	—
105	60	East Dag. R1	66	−2	‡Q25c	ϕ	‡
140	140	Gent. Areas 5c	140ø	......	—	—	—
380	210	Grootvlei 30c	260	+2	‡Q32c	1.1	‡
820	410	Kinross R1	700	−10	†Q150c	1.5	4.5
198	107	Leslie 65c	121	−3	†Q22c	1.6	11.4
550	310	Marievale 70c	355	−5	‡Q64c	1.1	‡
725	380	S. African Ld. 35c	500	−10	‡Q85c	1.2	‡
265	165	Vlakfontein R1	175	−5	Q35c	1.3	12.9
£13¾	840	Winkelhaak R1	£11	−¼	†Q94c	1.2	2.8
120	65	Wit. Nigel 25c	87	−1	Q1c	10.9	0.7

FAR WEST RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£11	680	Blyvoor 25c	830	......	Q100c	ϕ	7.1
£21½	£17	Buffels R1	£19¼	......	Q180c	ϕ	5.9
430	293	Deelkraal R0.20	380	......	—	—	—
£14¼	920	Doornfontein R1	£10¼	......	Q110c	ϕ	6.4
£12¾	725	East Drie R1	£10½	......	Q65c	ϕ	3.9

MISCELLANEOUS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
65	17	Charterhall 5p	53½	−2½	—	—	—
115	75	Colby Mines $1	75ø	......	—	—	—
760	360	Cons. Murch. 10c	680	......	‡Q130c	2.2	‡
53½	29½	Lauriston	41	+2	—	—	—
19	11	NRD $1	12	......	—	—	—
375	200	Northgate C$1	268	−5	Q65c	1.0	10.5
211	80	R.T.Z.	170	−2	4.97	4.4	4.5
135	47½	Sabina Inds. C$1	82	+7	—	—	—
81	51	Stanford Mines $1	71	......	—	—	—
£12½	875	Tara Expln. $1	£10¼	......	—	—	—
78	38	Yukon Cons. C$1	67	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- △ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Banks and Insurance reserve allocations may preclude calculation of dividend cover.
- ø Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ↔ Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ≏ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- ¢ Based on 1973 profits.
- ⁝ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ¥ Excluding a final dividend declaration.
- ♀ *Regional price*
- ∏ No par value

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. H Figures based on prospectus or other official estimates for 1974-75. *Q Gross. T Figures assumed. U No significant Corporation* Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 18

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £325 per annum for each security

FINANCIAL TIMES

Friday August 8 1975

Goncalves to announce fifth government to-day

BY JANE BERGEROL

LISBON, August 7.

AGAINST a background of continuing anti-Communist violence in Northern Portugal, Prime Minister General Vasco Goncalves is to present a fifth provisional government to the country to-morrow.

The general consensus of opinion appears to be that if the new government can last one week, then it may hold out until the autumn when fundamental changes are increasingly expected towards conciliation with the political parties and a more representative Cabinet.

More attacks against the Communist Party and the Popular Democratic Movement (MDP-CDE) flared across the North last night, with Communist militants firing in self-defence from inside their party office in the town of Fafe killing one and wounding several demonstrators who are in hospital for treatment.

This is the third time in a fortnight that trapped Communists or extreme Leftists have fired shotguns on angry crowds.

A high military source said the north of Portugal, a traditionally conservative region, was in a "state of pre-insurrection."

General Otelo Saraiva de Carvalho, commander of the Copcon military security forces, accompanied by army commander-in-chief Carlos Fabiro, flew to Oporto to-day for talks with local commanders.

The fifth provisional government, which is reported to contain eight military Ministers and 11 civilians, has taken more than three weeks to put together, and is to all intents and purposes a caretaker Cabinet until the Armed Forces Movement can see its way to sacking the Communist - sympathising Prime Minister and put together a government of national unity.

Moderate

The civilians who have agreed to serve on the new Cabinet are a mixed group of former Communist and Popular Democratic Movement office-holders padded out with a number of unknowns, close to either party.

Of the independent civilian Left-wingers in the fourth coalition, only one of note, Dr. Mario Murteira, Minister of the Economy, has agreed to carry on.

The Foreign Ministry, left open by the resignation of a leading moderate officer, Major Melo Antunes, is to be filled by the former Secretary of State for Fishing, Dr. Mario Ruivo.

A curious formula of four vice-premiers is understood to have been evolved, led on the military side by the former Minister of the Interior, Major Arnae Metelo, and on the civilian side by a professor from Coimbra University, Dr. Teixeira Ribeiro.

The surprise reversal of the Armed Forces moderates last Monday, and the confirmation by 50 Lisbon region officers of General Goncalves has apparently left the military with no alternative but to entrust him with government for a few more weeks.

This, it is hoped, will give the Armed Forces Movement time to contact the major political parties and evolve a common platform for a subsequent and more lasting government, designed to pull the country back behind the military.

Difficult

However, this is likely to prove a difficult task, since the basic Armed Forces formula for Portugal remains socialist mass-participation from workers and neighbourhood commissions, in harness with a government of national unity drawn from as many Left-wing parties as possible, under the rule of the Armed Forces Movement, and specifically of the new troika of generals — President Costa Gomes, Prime Minister General Vasco Goncalves and the Copcon Security chief, General Otelo Saraiva de Carvalho.

Some form of exemplary action against the violence is clearly being planned. General Carvalho said to-day: "The situation cannot go on as it is."

Slower rate of growth in State borrowing

By Samuel Brittan

IN SPITE of a 40.5 per cent. increase in Central Government "supply" spending in the first four months of 1975/76, compared with the same period of 1974/75, the public sector borrowing requirement is still not expected to rise above £10bn. in this financial year. A borrowing requirement of £9bn. was forecast at the time of the April Budget.

Supply expenditure up to July 31 was £9.839bn., compared with £7.004bn. in the first four months of 1974-75. The April Financial Statement suggested an increase of only 12 per cent.

But Government sources suggest that this is a misleading basis of comparison, as the Supply Estimates are based on the prices ruling the previous October or November. An adjustment is made to the Budget forecast of the borrowing requirement to take into account inflation.

Inflation rate

Although this is not a matter about which the Treasury is keen to boast, the main reason for believing that public sector borrowing is under control is that a reasonably accurate forecast was made of the rate of inflation for the period before the £6 pay increase limit became operative.

During the first four months of the financial year, revenue was up by 33 per cent. to £9.078bn. But although expediture is still up by more than receipts, the gap has narrowed compared with the first three months of the year.

The net borrowing of the National Loans Fund so far this financial year is £2.493bn., compared with £1.448bn. a year ago. But it is pointed out that this figure does not give a complete picture even of Central Government as increases here can be easily offset by, for instance, changes in the position of the National Insurance Fund or in departmental balances.

The large spending increase was in the rate support grant which rose by £700m., or 52 per cent. The health service was up by £555m. or 54 per cent. Trade, industry and employment rose by £364m. or 78 per cent.; and defence rose by £425m. or 35 per cent. Food subsidies amounted to £200m., compared with £95m. in the same period of 1974-75.

MPs criticise delay over public pay cash limits

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

THE ALL-PARTY Commons expenditure committee yesterday criticised the Government for not introducing its proposed cash limits on public sector payrolls before the end of the current financial year.

In a terse one-page report on "Cash Limit Control of Public Expenditure," the public expenditure sub-committee, under the chairmanship of Mr. Michael English, (Labour Mp for Notts W.,) complains that after examining Treasury witnesses "we fail to understand why cash limits on the Central Government's payroll could not be introduced for the latter half of 1975-76, from October 1975."

The committee is also concerned that, in spite of the apparent enthusiasm shown by the Chancellor for cash limits on public expenditure, "it has not yet been decided whether or not to publish the cash limits."

"We recommend," says the report, "that these should be published and that corresponding figures for actual expenditure should also be published, so that the public can eventually determine to what extent the limits have been observed."

On the quetion of public sector payrolls, Mr. English emphasised to reporters yesterday that the committee accepted the fact that the £6 pay limit did apply in the public sector.

Its complaint was that there are no barriers to public sector enterprises increasing the actual size of their labour forces between now and when the payroll limits come in next year.

Throughout the detailed evidence taken by the committee runs the theme that its members are deeply concerned about whether the Treasury really has its heart either in the principle of cash limits as a supplement to volume control of public application of limits expenditure, or in the practical

Mr. Nicholas Ridley, Tory MP for Cirencester and Tewkesbury, yesterday described the Treasury attitude to the limits or lack of them on public sector payrolls as "the reverse of open government."

In an appendix to the report supplied by the House of Commons library, it is suggested that on the basis of the most recent payroll figures for the public sector (2m. employees in central government, 2.7m. in local government and 1.8m. in public corporations making 6.5m.) the cost of a £6 pay rise for everybody would be £2.03bn.

Committee members yesterday recalled that when first questioned on the subject of cash limits, Treasury officials had been decidedly lukewarm.

The incomes policy White Paper, The Attack on Inflation, commits the Government to "reinforcing in appropriate programmes" the normal volume controls on public expenditure "by placing a limit on the amount of money which the Government are prepared to pay in the year ahead towards the purchase of the planned volume of resources."

Editorial Comment, Page 14

BSC administration changes

BY ARTHUR SMITH

BRITISH STEEL CORPORATION is to carry through a major reorganisation of administration in line with its 10 year development strategy.

The principal change affects the main iron-and-steel activities, which will be grouped from the end of March next year into five manufacturing divisions based on steel making centres.

Since April, 1970, the organisation has been concentrated on product divisions, but the Corporation maintains these are no longer suitable when production is being concentrated in a few large works.

Details of the reorganisation, which has been approved by Mr. Eric Varley, the Industry Secretary, were set out in a report presented to Parliament yesterday by Sir Monty Finniston, BSC chairman. The conclusions were reached after consultation with trade unions and customers.

Sir Monty said in London that within the reorganisation, those activities which could be identified as distinct businesses were being allowed to continue as profit centres. This would apply to specialised and diversified activities such as the Tubes division, Redpath Dorman Long, BSC (Chemicals), and BSC (International).

It had not proved possible to do this with the main iron- and steelmaking centres largely because they would be producing a number of different products.

Accordingly, five new divisions are proposed, each based on one of the main steelmaking centres scheduled under the ten-year modernisation programme. Each division — Scottish, Teesside, Scunthorpe, Sheffield and Welsh —will have a managing director and will act as a cost centre responsible for ensuring continuity and consistency of production at the lowest cost and of the highest quality.

Decisions

The move will allow a senior level of decision-taking in the regions, with head-office confined to issues affecting the Corporation as a whole.

The new divisions will not be responsible for commercial activities, as the Corporation believes these can be more efficiently carried out on a centralised basis. Thus sales, order handling, and plant loading will be the responsibility of four "product units": plates, sections, billets and billet-derived products, and strip mills.

Integration of manufacturing and commercial activities will be helped by siting the product units close to relevant works.

Sir Monty commented that the Corporation was reorganising its administration on the basis of its experience and in anticipation of changes in the structure of the industry. The tiers of management had been reduced, which would improve communications between the Boardroom and individual plants.

The Corporation intended to extend and strengthen its employee-director scheme of worker participation. The number of such directors would certainly be increased, and probably their authority.

Details were being discussed with the trade unions and it might be some time before conclusions were reached, Sir Monty said.

BSC new mix for a decade of change, Page 10

Planning agreements 'retreat' on role of trade unions

BY JOHN ELLIOTT, LABOUR EDITOR

TRADE UNION leaders last night showed little inclination for a confrontation with the Government over the restricted vote allotted to them by the discussion paper on industrial planning agreements. However, Mr. Clive Jenkins of ASTMS attacked the document, published by the Department of Industry, for what he described as a "further retreat from the liberating ideas in the first draft of the Industry Bill."

With some senior union figures away on holiday, the full scale of the union reaction may not emerge for some time although the situation will be discussed next Wednesday by the TUC's economic committee.

When be was Industry Secretary, Mr. Wedgwood Benn gave the firm impression to some union leaders that he intended them to be directly involved in tripartite planning agreements and this led Mr. Clive Jenkins last night to declare that yesterday's announcement "contradicts so strongly the welcome views of Mr. Benn that it seems the Government has surrendered to the secretive anti-planners in our society who are responsible for the steady erosion of our manufacturing industries."

Unions would now be forced back into exercising a "crude right of veto instead of being involved in imaginative and liberating exercises of participation and responsibility."

The point which the unions now have to consider is whether they are prepared to accept without loud complaint a tactical retreat from Mr. Benn's heady days of intervention. The potential bonus is the prospect of enticing at least some companies to agree to experiment with the Government in a two sided planning exercise. During such an exercise, following yesterday's proposals, a union would not be present at the planning stage between the Government and the company; nor would it have the right, envisaged in the White Paper, to receive all the planning agreement information which will now only be subjected to a "two way flow" between the Government and the company.

But it will have the right of access to the Government and will be able to demand separate consultation with the company. Either the company or the Government will alert unions to any proposed planning.

This is a significant reduction, however, on what had been hoped for by some union leaders who may decide to tie this in with criticism that legislation on the allied subject of worker directors and industrial democracy will not be prepared till the special inquiry announced earlier this week by Mr. Peter Shore, the Trade Secretary, has prepared its report towards the end of next-year.

Observer faces new threat

BY JOHN WYLES,
LABOUR REPORTER

A NEW threat to the publication of the Observer on Sunday emerged yesterday. Leaders of the National Society of Operative Printers, Graphical and Media Personnel pledged to support any action taken by their members to resist compulsory redundancy notices issued by management earlier this week.

This follows a similar warning from the Society of Graphical and Allied Trades that its members affected by redundancy would report for work to-morrow and that if any were sent home, SOGAT would prevent publication of the Observer.

The NATSOPA machine and SOGAT chapels (office branches) at the Observer are expected to meet to-morrow to discuss the 200 redundancy notices which were issued last Monday. Both chapels may insist that the notices be ignored and a confrontation could develop if they seek assurance from management that all members, including those made redundant, be paid for working to-morrow.

Mr. Arthur Davis, assistant general secretary of NATSOPA, said yesterday his union's national executive had decided to give full support to its members at the Observer because the redundancy notices "have destroyed every effort the unions have made to keep negotiations going." Mr. Bill Keys, general secretary of SOGAT, called management's action "a negation of negotiations."

But the Observer management claims that it allowed the printing union six weeks to negotiate on its proposals for a 30 per cent. cut in the newspaper's workforce and that since agreement seemed unlikely, it had to act quickly to make the economies necessary to ensure the newspaper's survival.

News analysis, Page 12

Govan granted £17m. more State aid

BY ARTHUR SMITH

GOVAN SHIPBUILDERS is to get an additional £17.2m. of Government assistance, Mr. Eric Varley, the Industry Secretary, announced yesterday. But he issued a warning that the company could not expect Government subsidies to cover losses indefinitely.

He also stressed the State-owned company's productivity record—currently running below target—and laid down two further conditions for continued support: that the assistance should not be used to finance "excessive" wage settlements and that the Minister should be satisfied with the company's progress.

Mr. Varley disclosed in a Commons written reply that the company, formed after the collapse of UCS, would, with the £17.2m., have received total State aid of £59.4m.

In addition to £4.7m. remaining from the existing provision, the Government was allowing further loans of £6.9m. to enable the company to complete its capital development programme.

Mr. Varley said his decision to provide more money was taken because of the 5,320 jobs which the company provided in an area of exceptionally high unemployment and the fact that Govan was forecasting a profit in 1978.

He agreed to extend support to the end of 1979 and to make available £10.3m. to cover losses Govan expect on existing contracts.

Weather

U.K. TO-DAY

HOT in many parts, possibly with thundery rain in S.E. England later in the day.

London, S.E. and Central England

Sunny periods, perhaps thundery outbreaks late in day. Wind variable, light. Max. 29C (84F).

Midlands, Channel Isles, Wales, S.W., N.W. and Central N. England

Sunny periods, dry. Wind variable, light. Max. 27C (81F).

E. Anglia, E. and N.E. England

Sunny periods, dry. Wind variable, light. Max. 27C (81F), but lower on coasts.

Lakes, Isle of Man, Borders, Edinburgh, Dundee, Glasgow, Aberdeen, Cent. Highlands, S.W. Scotland

Bright intervals, mainly dry. Wind S.W., light. Max. 22C (72F).

N. Ireland

Cloud, mainly dry. Wind S.W., light or moderate. Max. 18C (64F).

Outlook: Scattered thunderstorms, especially at first, otherwise dry with sunny spells. Hot in S.E., warm elsewere.

Lighting-up: London 21.08, Manchester 21.24, Glasgow 21.41, Belfast 21.43.

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Alexandria	F	30	86	Luxembg	S	30	86
Amstrdm.	S	31	88	Madrid	S	35	95
Athens	T	23	73	Manchster.	S	28	82
Bahrain	S	36	96	Melbourne	C	11	52
Barcelona	S	30	86	Milan	S	31	88
Beirut	F	29	84	Montreal	C	20	68
Belfast	F	20	68	Moscow	F	23	73
Belgrade	T	24	75	Munich	S	25	77
Berlin	F	29	84	Newcastle	S	27	81
B'rmgham	S	29	84	New York	R	17	62
Bristol	S	29	84	Oslo	S	31	88
Brussels	S	32	90	Paris	S	33	91
Budapest	F	24	75	Perth	D	17	63
B. Aires	S	9	48	Prague	F	28	82
Cairo	S	34	94	Reykjavik	F	15	59
Cardiff	S	27	81	Rio de J'o	C	25	77
Cologne	S	31	88	Rome	S	29	84
Copnhagn.	S	30	86	Singapore	S	28	83
Dublin	F	19	66	Stockholm	S	34	93
Edinb'gh	C	22	72	Strasburg	S	30	86
Frankfurt	S	30	86	Sydney	C	15	59
Geneva	S	27	81	Tehran	S	37	98
Glasgow	C	22	72	Tel Aviv	S	29	84
Helsinki	F	25	77	Tokyo	R	25	73
H. Kong	S	30	86	Toronto	S	20	69
Lisbon	S	21	70	Vienna	[illegible]	[illegible]	[illegible]
London	S	31	88	Warsaw	[illegible]	[illegible]	[illegible]
				Zurich	S	28	82

HOLIDAY RESORTS

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Ajaccio	S	28	82	Las Palmas	S	25	77
Algiers	S	33	91	Locarno	S	28	82
Biarritz	F	24	75	Luxor	S	37	99
Blackpool	S	28	82	Majorca	S	32	90
Bordeaux	S	33	91	Malaga	S	32	90
Boulogne	S	29	84	Malta	S	29	84
Cape Twn.	S	21	70	Nairobi	C	18	64
Corfu	T	26	79	Naples	F	29	84
Dubrovnik	F	28	82	Nassau	R	24	75
Faro	S	28	82	Nice	S	28	82
Florence	S	30	86	Nicosia	S	30	86
Funchal	S	25	77	Oporto	S	23	73
Gibraltar	S	27	81	Rhodes	S	29	84
Guernsey	S	25	77	Salzburg	S	27	81
Innsbruck	S	26	79	Tangier	F	34	93
Inverness	C	24	75	Tenerife	F	21	70
I. of Man	C	19	66	Tunis	S	31	88
Istanbul	F	29	84	Valencia	S	32	90
Jersey	S	23	73	Venice	S	28	82

S—Sunny. F—Fair. C—Cloudy. R—Rain. D—Drizzle. T—Thunderstorm.

THE LEX COLUMN

Shell against the trend

Shell's earnings have risen from £219.9m. in the first quarter to £237.5m. in the second — which is miles ahead of market targets, and contrasts with what is still a declining trend among most of the U.S. internationals. Currency swings have "substantially increased" the figures in terms of sterling: expressed in U.S. dollars, the growth between the first and second quarters is all but halved. And it disappears altogether when tax clawbacks of £25m. and a number of capital items (worth a net £29m. or so over the six months) are excluded.

All the same, the pattern looks very steady given a substantial decline in the chemicals business and some seasonal slippage on the gas side. Despite the absence of stock profits — which were still playing a part in the January-March period — the group's oil trading margins were a little higher in the latest three months. That seems to be partly to do with a more profitable product mix. Sales volumes outside North America were about 8 per cent. below 1974 levels on a comparable basis, but the fall has been much less sharp at the lighter end of the barrel. Shell says that when capacity is being under-utilised, the marginal cost of upgrading the product moves in its favour.

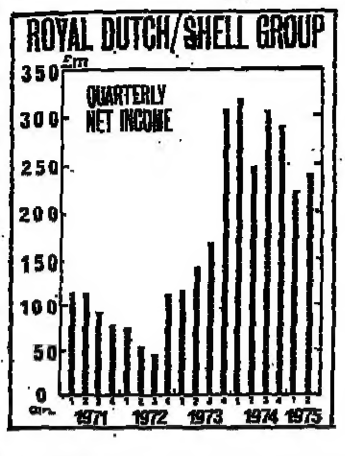
In addition, average realisations must be holding up well, and demand in Western Europe seems to have steadied up towards the summer. Throw in the current performance of sterling, and there is no reason to think that the third quarter will be much worse than the second, excluding the exceptionals, and the hope is that demand may actually be picking up by the year end. This means that earnings as high as £900m. are now a possibility for 1975 —and that the shares at 295p are selling at about 4½ times what are supposed to be "recession year" earnings.

See also Page 18

THF

The first six months of 1974-75 have taken Trust Houses Forte's low season losses up from £165,000 to £1.3m., before tax and profits on asset disposals. Trading margins are under obvious pressure but the visible reason for this deterioration is a £1.8m. jump in interest costs. However, THF is confident that its financing pressures will ease this half as improving occupancy rates pump up hotel cash flow, and overall the group looks to the 1974-75 result with "some confidence."

Index fell 9.5 to 277.7



Occupancy rates in London hold level at 60 per cent. during the six months but were three points higher at 72 per cent. through June and July, and an improving picture can be seen elsewhere around the country: some 31 per cent. of total profits before interest came from U.K. hotels last year and the tourist intake after five months of this year is 14 per cent. up. Overseas there are small losses in Cyprus and Portugal but the major markets (notably in the U.S.) are ahead.

For the year profits some £2m. higher pre-tax at around £11m. pre-tax could be on the cards. There are question marks over rising costs, and the possibility this year of a more normal tax charge. But the shares' 1974-75 yield at 89p could be 13½ per cent., meantime.

See also Page 16

Hoover

Hoover has increased its second quarter profits by just over £1m. to £6.41m. pre-tax, taking the half-year total above expectation to £11.73m., against £8.77m. The April to June quarter in 1974 was unaffected by strikes so the 48 per cent. rise in sales during the same period this year shows the impact of continuing re-stocking following last autumn's strike and, to a lesser extent, of the pre-VAT boom.

The key feature of the second quarter, however, was the way Hoover successfully recovered market share lost during the strike—in washing machines, for example, the proportion is now probably back to 40 per cent., having fallen by at least ten points, while the share of the upright cleaner market i back to 69 per cent., after 6 per cent. in 1974. The summe sales pattern is rather deceptiv but the fall in sales of washin machines has not been a severe as had been feared.

There are also signs of som pick-up abroad, notably i Australia, and overseas sales possibly about a half of cleane output and a quarter of washin machine production—could pr vide some resilience over th next year or so. The uncertai ties about U.K. demand ar reflected though in the decisio at present merely to maintai the well-covered dividend. Th yield is 7.5 per cent. at 234p and the shares have performe relatively strongly in recen weeks.

See also Page 18

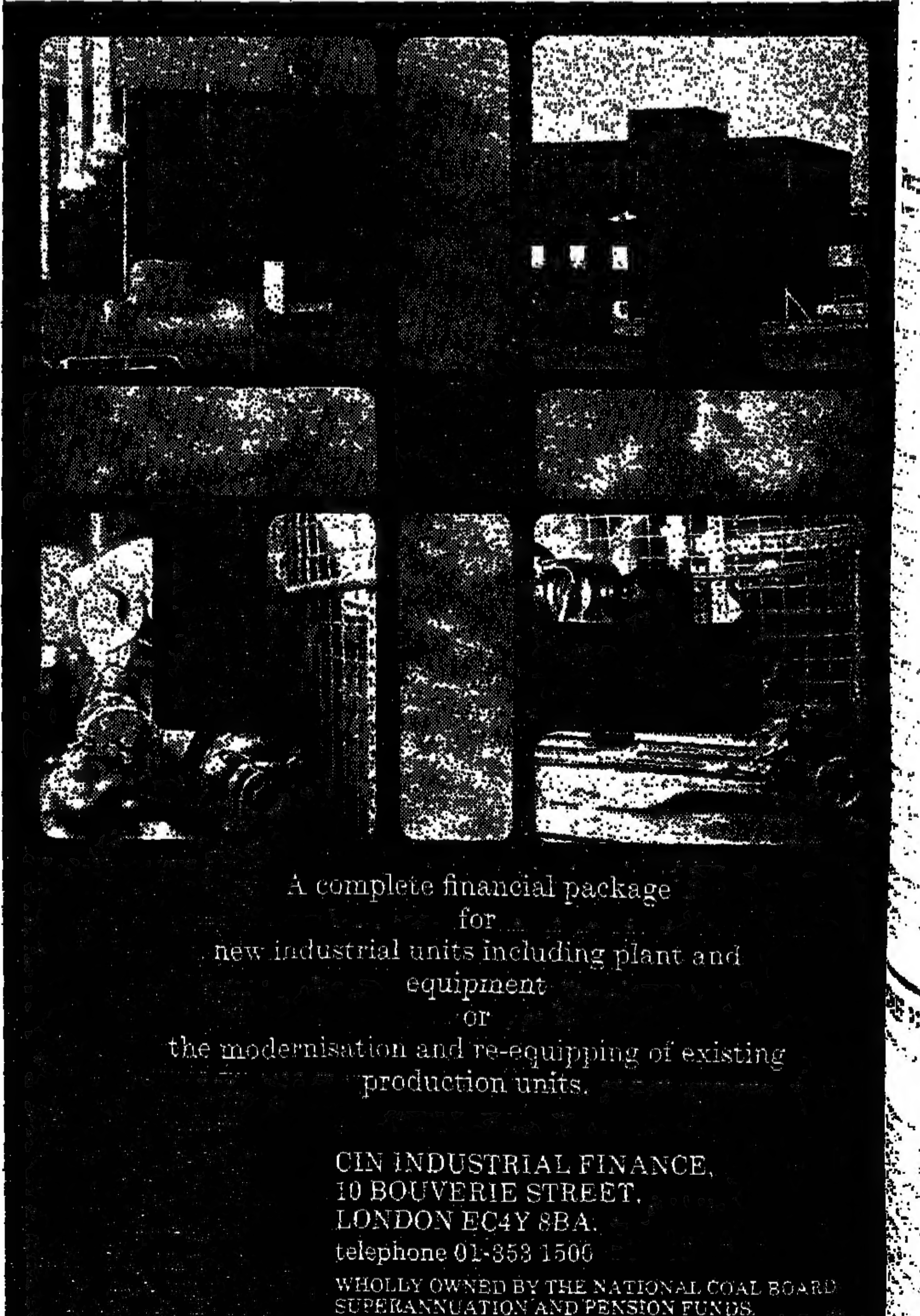
Lubok

Followers of the fast-movin Lubok serial will remembe that earlier this year the com pany reaffirmed its faith in th yellow metal by buying abou £2m. of Kruggerrands, though it reduced its gold share port folio. In the latest episode i reveals that the bulk of th Krugers—possibly as much a three-quarters—have been sol for a "substantial profit," an the rest of the gold shares hav gone for perhaps about £500,000 The recent action has been i South Africa where the Sale Associate and its offshoots hav been using their premiums ov net worth to expand rapidl particularly in the natural r sources field. The bas arithmetic is that fully dilute net worth has risen by 4p t 5p per share above the 19 of late April. The shares hav fallen by 10p from the year high to 33p, where the premiu is less in the clouds than was but still reflects a big ho element about the liquidity £2.5m. to £3m., equivalent over a third of assets.

See also Page 16

Hutchison Intl.

The crisis at Hutchison I ternational must be even mo acute than already seeme likely. Hongkong and Shangh Banking is not after all goi to underwrite the propos HK$178m. rights issue. Inste it is offering to inject HK$150 of new equity at HK$1 a shar This compares with a sha price of HK$1.90 before th news and net worth on som recent estimates of over HK The deal would give Hongsha an extra 27 per cent. of th enlarged equity—and it is al pushing for Board changes.



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